How New U. S. Taxes Affect Canada (Page 11)

THE FINANCIAL POST

The Canadian Newspaper for Business Men and Investors

Largest Circulation of All Canadian Financial Papers

Vol. XXX | Member of Audit Bureau of Circulations | PUBLICATION OFFICE: TORONTO, JULY 11, 1936 | 10c a Copy; $5.00 a Year | No. 28

The Nation's Business

Is End in Sight of Wheat Surpluses?

Creating Jobs and Creating Morale

Debt Legislation Needs Finality

Private Building Now Goes Ahead

Wheat Surpluses May Now Disappear

GOOD salesmanship by the new wheat board added to unpleasant thrusts from the weatherman seem to make it certain that Canada is finally going to be able to get down to a normal carry-over of wheat. This will be an achievement of great significance to the country at large and will, in part at least, offset the disappointment caused by the poor crop prospects for this season.

• • •

RAPIDLY deteriorating crop conditions and soaring wheat prices will inevitably set the pencils busy of those people who favored Canada's holding policy of the wheat pool and later the McFarland board. If current conditions continue they will be able to work out some fantastic profit had the present wheat board chairman, J. R. Murray, been restrained from selling in the last six months and then unloaded on a certain definite date, preferably when prices reach a season's peak.

Even assuming the impossible, and that Canada could sell an approximate carry-over of 200 million bushels at the top price, such a feat would be sheer gambling with at least half of Canada's population directly involved.

Moreover and of greater importance, a week's difference in the weather might have resulted in exactly the opposite picture we now face. There might easily have been a huge Canadian new crop coming on top of an already unwieldy carry-over. Such a development was the real fear behind the grain industry last fall, last winter and this spring. Steady expansion in Canada's foreign sales of wheat and gradually widening drought in United States gradually obliterated that fear.

• • •

SO LONG as man has no control over the weather, Canada will have to depend upon common horse sense selling methods in handling wheat. Until the carry-over has been reduced to normal domestic consumptive requirements the "for sale" sign must hang in the window. Even in such a year as this one promises, with a short crop and a carry-over nearer normal than since 1927 this is a sane policy and the only one which will guarantee the very best returns from a light yield.

Had the accumulated wheat from a year ago been held over into the new crop year which starts next month, then under such a weight maximum prices for the 1936 crop certainly could not be obtained. And if the yield is going to be as light as is now promised, then the highest possible prices are imperative if any new money is to flow into a drought hit West.

For the good of the grower, the carriers and business generally it is best to have a big crop at a fair price. But when the yield is light then the highest possible return per bushel offers some consolation and helps to defray the naturally higher overhead of the smaller volume.

• • •

Morale and Employment

THE most important task facing the National Unemployment Commission is the restoration of the morale of workers who have suffered from prolonged unemployment.

Without doubt the social costs of the depression present an even greater problem than the country's huge relief bill, and a reduction in relief costs is dependent upon a solution of this problem. Prolonged unemployment of workers leads to demoralization of character, and prevents many workers from ever settling down to regular work again. Disillusionment, bitterness, despair, a sense of futility and a lack of personal responsibility are all products of unemployment.

Our relief policy to date has aggravated this situation. For the most part relief has amounted to little more than a "dole." This type of relief has a most detrimental effect on the morale of those who find it necessary to accept its benefits. After a few weeks of aid the feeling of discontent toward their lot and abhorrence of relief disappears and in many cases it is not long before relief is regarded as a "social right." As a result these people can be counted on less and less to exercise their own ingenuity in getting off relief rolls. They can see no purpose in working for a small wage when they can get as much or almost as much for nothing. There are many who could get off the relief rolls or at least assist in supporting themselves if they really desired to do so. It is to a correction of this situation that the

(Continued on page 2, col. 3)

Wheat Fields Shrink Daily 5 Million Bus.

Heat Wave Shrinks Prospects But Big Area Still Good

RAIN IMPERATIVE

From Our Own Correspondent

WINNIPEG.—Western Canada's wheat crop has been shrinking at the rate of millions of bushels daily as grain has shrivelled under scorching heat. The area in which crops must be regarded as a total failure has been expanding, and so also has that in which complete recovery will be impossible, no matter how favorable weather might be for the remainder of the season.

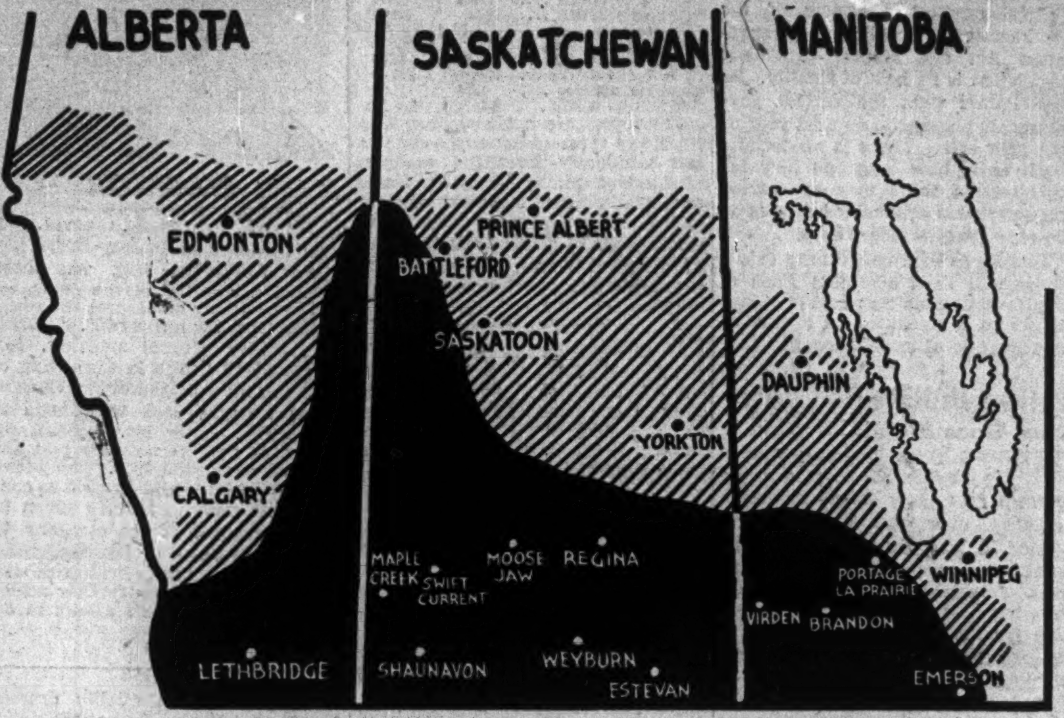
Nevertheless it is still possible for the country to produce more wheat and of better quality than was the case last year. There are still large areas in which crops are standing up reasonably well.

It is a common thing to overestimate the damage done by July heat, just as favorable prospects that usually seem to prevail toward the end of June are often overappraised.

Damaged Areas

There is a strip along the southern border, however, in which there will be no wheat at all. This corresponds with the complete destruction of crops which has taken place over a large part of both North and South Dakota. Above this is an area in which the best hopes of farmers will be to recover enough grain for next year's seed.

But beyond this, yet comparatively narrow belt are large areas in which crops are still capable of giving an average yield, always provided that recent rains and cooler weather continue. In spite of the lack of general rains since the middle of June, local showers and regional rainfall have kept a good deal of the crop going. But the margin of reserve strength has been growing less. Favorable weather by mid-July is imperative



WHERE DROUGHT THREATENS

The dark area in the above map shows that portion of the Western Canadian wheat belt seriously threatened by drought. The recent heat wave which sent mercury above the 100 degree point in several districts has been relieved by showers. But rain by mid-July is imperative if the fair prospects in the lightly shaded portions shown above are to continue. A strip along the international border, however, is already conceded beyond any possible recovery as a result of the heat wave.

Highlights

Soaking the Foreigner

New U. S. taxes on foreign corporations and individuals may cost Canadians from $2 millions to $4 millions. Page 11

Investment Policy

Peculiar features of present economic trends appear to warrant the investor leaning toward equity-type securities; but the danger to avoid is a loss of balance. Page 10

Money Voodoo

Sir Norman Angell concludes his series of plain talks on money with discussion of "medicine men." Page 20

Investor's Index

INDUSTRIALS AND UTILITIES

Albertan Pub. 3
Assoc. Canners. 4
Algoma Steel. 16
Brompton Pulp 1
Bathurst Pwr. 3, 20
Bank of Canada 12
Brand.-Hend. 9
Bonded Corp. 9
B. A. Oil 1, 4, 11
Br. Empire Tr. 5
Can. Industries. 13
Can. Gen. Inves. 9
Can.-Amer. Tr. 9
Consol. Bakeries 9
Cockshutt Plow 9
Canada Electric 3
Can. Inves. Fund 9
Crescent Cream. 4
Can. Int. Pap. 4, 16
Can. W. Box. 4, 16
C. P. R. 4
Can. Pub. Serv. 4
Can. Wineries 16
Corp. Investors 16
Can. Converters 16
Canada Bread 15
Can. Steamships 1
Can. Celanese 3
Can. Dredge 3
Colonial Invest. 9
Dom. Scot. Inv. 16
Dom. Square 4, 16
Dom. Motors 16
Donnacona 9
Distillers Corp. 11
East Kootenay 8
Eastern Dairies. 4
Eastern Drug. 16
Fanny Farmer 11
Foundation Co. 16
F. N. Burt 11
Guarantee Trust 1
Goderich Elev. 4
Hiram Walker 11
Harding Carpets 4
Inter. Nickel 11
Inter. Metal 11
Inter. Milling. 11
Imperial Oil 9
Inter. Hydro 16
Killarney Apts. 5
Labatt, Ltd. 16
Lallemand Ref. 16
Lang & Sons 5
Lincoln Pulp 3
Lake St. John 2, 9
Loblaws 11, 16
London & Lanc. 15
Mexico Tram. 10
Morden's Drug 16
Milton Brick 8
Mexican Light 5, 16
Moore Corp. 11
Muirhead's Cafe. 16
Melchers 5
Manitoba Paper 5
Montreal Deb. 5
Montreal Power 4
Northwest. Util. 16
Massey-Harris 2, 11
Twin City Trans. 11
N. B. Power 4
Ottawa Pwr. 9
Power Corp. 5
Pressed Metals 9, 11
Page-Hersey 11
Quebec T'phone 12
Royal Insurance 15
St. Cath. Realty 16
Silverwoods 5
Sask. Mun. Hail 15
Spruce Falls 7, 16
Trust & Loan. 16
Trusts & Guar. 4
Western Grocers 9
Winnipeg Elec. 4

MINES AND OILS

Aconda 19
Big Master Cons. 18
Beaufor 18
Columbus-Kirk. 19
Cariboo Ledge 19
Central Pat. 19
Eldorado 15, 18
Fox Lake 19
Four Nations 19
Falcon Gold 19
Foundation Pete. 2
Faulkenham 18
Gateway Pat. 19
Golden Gate 18
Gold Island 19
Kirkland Cons. 19
Lamaque 19
Numaque 19
Morris-Kirkland 19
Mining Corp. 19
McMillan 18
Miller Bay 15
Malrobic 19
Nortricia 19
O'Brien 18
Pickle Crow 19
Perron 18
Pioneer 18
Rahill Red Lake 1
Sheep Creek 19
Sigma 15, 18
Wood Cadillac 18
West-Side L. L. 18
Yukon Border 19

QUOTATIONS

Bonds 14
Grain 17
Mines 14
Stocks 14
Foreign Exchange 4

Canadian Visitors in U.S. to Buy Find Many Articles Cheaper at Home

Father wants some new accessories for the car, daughter needs a new dress, and the son and heir is mastering an almost uncontrollable desire to rush down town and buy that nifty wool suit in the window.

Why?

Because mother has said, as she says every year, that "We are going to visit Aunt Matilda in Ohio in a few weeks."

And everyone knows that mother's next remark will be ". . . and we can buy it cheaper in the States."

Mother is both right and wrong. Leaving aside all consideration of father's politics or his views on the tariff question, he can get his car radio cheaper in the United States.

Daughter can get her new dress for less money in Canada, if it happens to be a cotton frock, but she might be wiser to wait for the visit to Aunt Matilda and then lay in a year's stock of cosmetics from the United States. She will also save money by buying her hose across the border.

Junior's all-wool suit will cost him $19.50 at Jones' store with its "Buy in Canada" placards, but if he waits until he is across the border the same suit will cost him $25.

But if the family's requirements of sporting goods, father's razor blades, or his engineering precision tools need replenishing, he can save money again by getting them on the trip to Aunt Matilda.

It sounds complicated, but it is simplicity itself if the Canadian family visiting the United States knows in advance what it wants to buy.

Gain and Lose Business

Border retailers will lose business in some lines of merchandise as the result of the new tourist exemption of duty on articles up to $100 in value coming from the United States. In other lines of merchandise their price tickets tell a plain story of savings that any Canadian can enjoy.

At one time there were hundreds of articles that could be purchased at lower prices in the United States, but when codes were imposed under the now defunct N.R.A., the result was to raise prices to a level that cancelled the savings Canadians were able to make.

Since that time, trade has been more competitive at border cities and in some merchandise there is no difference between prices in Windsor, for example, and Detroit. There is the $100 exemption, it is true, but it means nothing in the case of hundreds of items which, bought in the United States, merely deprive Canadian merchants of sales which could have been made at the same or lower prices, and impede the traveller with unnecessary luggage. Woollen blankets are a case in point; so are some kinds of perfume, good hats, broadcloth shirts, English razors, and many other articles that can be bought for less in Canada.

Household Goods Higher Here

Household furnishings? The answer is given by prices quoted in advertisements appearing in United States publications. They are lower, as the following comparative price

(Continued on page 2 col. 5)

United States Tourist Influx Reaches New High

While Canadians are not stampeding across the border into the United States to make purchases under the $100 customs exemption, tourist business from the U. S. to Canada appears to be on the way to break all records.

In May but $107,000 was brought into Canada under the new ruling and with the maximum of $100, means that comparatively few took advantage of the removal of customs barriers. June and July will probably show increases but the rush has not been as great as anticipated.

In the meantime Canadian merchants are reaping the benefit of a pouring in of American visitors. On July 4 it is estimated that over 150,000 entered Canada from the U. S. via Ontario ports alone.

An all-time peak for tourist traffic from the United States into Canada at Niagara Falls was established Independence Day when 89,726 persons crossed the international boundary over the 3 bridges at Niagara Falls and Queenston. They came on foot and in 17,968 automobiles. The number of cars crossing the bridges was 6,000 in excess of Labor Day a year ago when the traffic reached the pre-depression level. In addition it is estimated that on July 4 28,000 entered Canada at Fort Erie; 9,000 at Sarnia; 25,000 at Windsor; 3,000 at Brockville; 3,689 at Prescott; 2,500 at Morrisburg and 2,900 at Cornwall.

On Dominion Day the travel from Canada to the United States was light. A total of 24,000 persons crossed the 3 Niagara bridges, making a large increase over the Dominion Day of 1935, but 10,000 less than on Victoria Day, this year.

Implement Year Hurt by Drought

Sales Fall Off in Face of Crop Loss

Scorching hot weather and resulting drought in the United States and Canada are causing a large drop in present sales of farm implements by such companies as Massey-Harris, and Cockshutt Plow. Massey-Harris Co.'s United States subsidiary which had been enjoying large sales in the earlier months, is also affected.

Size of the Western Canadian crop and the price for wheat will have a very important effect on earnings in the second half of implement companies' year. Farm purchasing power had improved perceptibly in 1936 to date. The June commercial letter of the Canadian Bank of Commerce showed purchasing power increasing 12.7 per cent in 1934, 9.8 per cent in 1935 and 6.9 per cent in 1936 (years ending March 31).

Brompton Profits On Broader Scale

From Our Own Correspondent

MONTREAL.—Brompton Pulp and Paper Co.'s earnings for the first half of this year are stated to be considerably ahead of those experienced in the same period last year. For all of 1935 the company earned $203,207. If the present rate of income is maintained, profits for 1936 will be at least half as great again. Finances, too, have undergone an improvement. A bank loan of $34,081 has been wiped out and net liquid assets are in the neighborhood of $6 a share.

All of the common stock of this company is owned by St. Lawrence Corp. There is a small underlying bond issue, but it now appears that Brompton will be a source of a relatively large profit for the parent company during 1936.

Ottawa Ready To Sign Treaty On U. S. Taxes

Washington's 10% Tax on Alien Dividends Would Drop to 5%

SAME AS CANADA'S

From Our Own Correspondent

OTTAWA.—Negotiations contemplating a treaty between Canada and the United States, whereby taxation on the income earned in either country by the citizens of the other, will be restricted to 5%, have been launched. The treaty is expected to be completed and ratified by Parliament and the U. S. Senate in 1937. Under its terms the imposition of taxation will be regulated on a reciprocal basis and exemptions on domestic taxation will be granted.

This treaty, clearly contemplated in the revenue act enacted at Washington last session will end a long period of uncertainty, confusion and hardship in this field of government. The 1936 statute of Congress imposed a 10% tax on non-resident aliens with the provision that it can be cut down by treaty to 5% on the citizens of "contiguous" countries.

Having regard to the nearness of a permanent settlement, Ottawa, it is learned, strongly urges Canadians to settle with Washington on past claims. The belief persists that settlements can be arranged on highly advantageous terms.

Trading Profits Tax Goes

At the outset of these taxation troubles, 2 kinds of income were involved—trading profits and income from dividends and interest. The former have now been dropped completely. No attempt will be made to collect on account of trading profits, a fact of immediate importance to brokers. The proposed treaty will relate only to dividend and interest earnings.

Washington enacted a law imposing taxation on the earnings of aliens in 1922 but no attempt at enforcement was made until 1930 or thereabouts, and in this way the retroactive feature appeared. Ottawa did not enact a similar tax until 1933 and official advice tendered at Washington consistently was to the effect that the 2 governments should go into this field jointly, as from 1933, and allow deductions and avoid retroactive assessments. The Hawley-Smoot bill of 1932 would have served the situation ideally from Ottawa's viewpoint but it failed of enactment.

The 1936 law now takes its place. It will result, it is hoped, in a treaty placing the U. S. tax at 5%, the same level as the Ottawa tax. It will grant exemptions to aliens on account of marital status and dependent children.

What the new taxation of the United States proposes and its effect on Canadians and Canadian companies is detailed in this issue on Page 11.

Rahill Red Lake Obtains Finances

Rahill Red Lake Mining Co. reports that financial arrangements to carry out mine development have been completed. Results from the first of a series of diamond drill holes, aimed at proving the extension of Gold Eagle developments cut two sheared zones in the last 200 ft., the second well mineralized, according to the company's engineer.

Rahill Red Lake properties are strategically located, adjoining McKenzie Red Lake Gold Mines, Gold Eagle Gold Mines, and Martin-McNeely Mines.

Free Gold Market U.S. Possibility

Creation of a free gold market in the United States if President Roosevelt is re-elected, is seen as a possibility by the Whaley-Eaton Service.

It says the administration has once more been in consultation with the experts whose advice was followed in changing the gold content of the dollar. It is reported that in their opinion an increase in gold content may be necessary in order to offset possible extreme increases in commodity prices reflecting devaluation.

Rather than face the political and practical inexpediency of formally shifting the dollar price of gold from time to time, it is believed that a market would be set up where anyone could buy gold with paper dollars. Thus the price of gold would be determined in the open market and would vary according to demand.

The government, however, would occupy a dominating position in view of its huge gold holdings and the effect would probably be to set up a managed currency system. Some believe a free gold market in the United States, with quotations paralleling those in London would lead a sort of exchange stabilization through establishing a common denominator between pound and dollar.

Whaley-Eaton contends that legislation would be required to put the suggested system into operation. Thus it is a prospect for next winter rather than the immediate future.

B.A. Oil Gasoline Sales Continue Up

Treasurer Thinks Duty Cut May Affect Canadian Companies

In a blotter letter accompanying the July 2 dividend payment of 20 cents a share, J. C. Millar, treasurer of British American Oil Co., states that increase in gasoline sales by the company for the first 5 months of 1936 compares favorably with the general increase in Canada of gasoline consumption.

"The outlook for the latter half of the year is somewhat clouded by the changes effective in the schedule of gasoline duties," he continued. "The reduction in the tariff is bound to influence the importation of gasoline in greater volume than in the past. Should this actually result in a decline in the volume of Canadian gasoline sold, it will naturally adversely affect the profit per gallon as well."

Mr. Millar states that activity of company's American producing subsidiary continues encouraging. It has drilled 29 wells in the Oklahoma City crude oil field and every one is a producer. The company is drilling 14 other wells at varying depths and these are expected also to be producers.

On September 1, the company will redeem $222,000 of the 4% sinking fund debentures due 1945 at 102½ in accordance with the sinking fund provisions of the trust deed.

GUARANTY TRUST REDUCES DIVIDEND

Guaranty Trust Co. of Canada, Toronto and Windsor, has reduced its semi-annual dividend, payable July 15 to shareholders of record June 30, to $2.50 a share. The rate of payment for 1935 was $3.50 a share each half year, or $7 per annum, which rate has prevailed for several years.

C. S. L. Hopes For This Year Hinge on Grain

Situation Uncertain But May Work Out to Company's Advantage

WAIT REORGANIZATION

From Our Own Correspondent

MONTREAL.—Operations of Canada Steamship Lines during the current season of navigation and possible extent of earnings are somewhat difficult to estimate at this time owing to a number of existing conditions which may affect the volume of traffic later on in the year.

Navigation for the lake shipping companies opened about 3 weeks later this year than was the case in 1935.

For the first 3 weeks after the opening, the volume of grain traffic handled by Canada Steamship Lines was highly satisfactory compared with a year ago. However, since then offerings have been light and the volume of grain moved to date has been less than in 1935.

Georgian Bay Movement

While the steamship companies have not been getting much grain traffic of late, there has been a relatively heavy movement from the Georgian Bay ports by rail to the seaboard.

The encouraging feature of the grain storage at Georgian Bay and river ports, is that later on in the season when the usual heavy seasonal export demand sets in, the grain will move from the head of the lakes, as there will be a limited supply of grain available lower down. Consequently Canada Steamship Lines and other steamship operators stand to benefit, probably materially, from the longer haul.

An important consideration in relation to the potential grain movement this fall is the amount of the carry-over. The Canadian Wheat Board has been rather chary in giving out any estimate of what stocks on hand are likely to be at the beginning of the new crop year. Several weeks ago it was said that the carry-over might be as low as 125 million bushels. Since then sales have been heavy at times, and in well-informed circles it is believed that the carry-over on August 1 next may be as low as 100 million bushels.

In this event the prospect of moving out the new crop would be considerably brighter.

Other Divisions Progress

The uncertainty of the outlook for the grain movement for C. S. L. is apparent from the foregoing. In other directions conditions are not so obscure. The packet freight business has been highly developed in the last 4 or 5 years and the current volume of traffic is said to be good.

Passenger and hotel business shows promise.

Nothing further has been said officially about plans for reorganizing the company. Last April the Bondholders Protective Committee brought out a plan for reorganization which, it was carefully pointed out, had not been approved by directors of the company. Since then nothing further has been done in the way of calling a meeting to vote on the proposal.

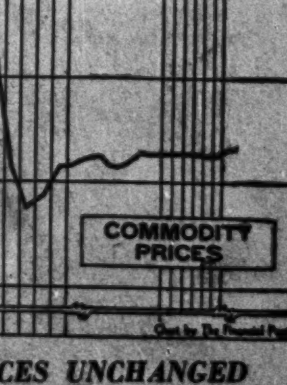
Business Items Record Upturn

May business figures released during the week point to increased activity in comparison with both the previous month and with the same month a year ago. Only imports of coal compared unfavorably. Construction contracts in June registered a sharp advance reflecting highway expenditure and greater private building.

Additional figures will be found on page 7.

		—Change—	
Monthly	May	From prev. period %	From prev. year %
Car financing:			
New cars	$4,932,172	+16	+34
Used cars	$3,634,272	+26	+46
Cons. contracts	*$20,803,400	+39	+12
Newsprint exp., tons	258,288	+34	+ 7
Wheat flour exp., bbls.	1,196,339	+18	+ 2
Retail sales index	72.9	+0.3	+0.7
Coal imp., tons	1,360,026	—176	— 2
Weekly			
Car loadings, No.	46,909	+ 2	+ 2
Cattle sales, No.	11,432	— 7	+15
Hog sales, No.	15,932	— 4	+19

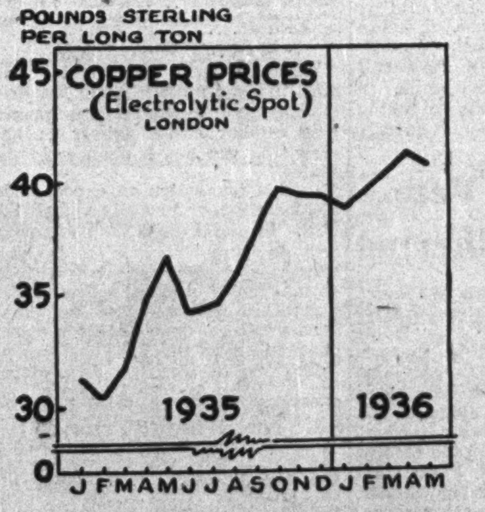
*June.

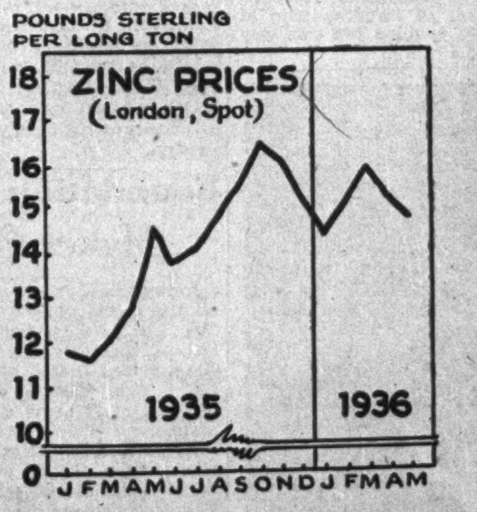


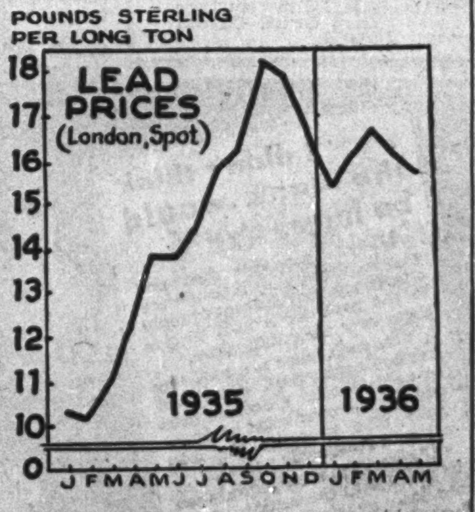
PRICES UNCHANGED

Wholesale comodity prices in the week ended July 3 were unchanged from the previous week at 72.7, according to the index compiled by the Dominion Bureau of Statistics.

Demand for Base Metals Beyond Previous Peaks







Exclusive of United States, demand for non-ferrous metals, especially copper, now surpasses the peak attained between the years 1927 and 1930.

This is one of the important points made in a recent review of base metal conditions prepared by the British Metal Corporation, of London.

During the past three years, "cheap money" facilitated by currency depreciation and large government spending on public works and armaments have stimulated the heavy trades in several countries.

By totalling the highest consumption year of each country prior to the depression the review arrives at a "composite maximum" year. By adding together the years of minimum consumption in world countries, a composite year is reached. The following table shows the consumption of the 3 metals, copper, lead and zinc, since 1929, compared with the "composite maximum" and "composite minimum" years.

World Consumption*
(000's long tons)

	Copper	Lead	Zinc
Composite max. year	960	1,115	950
Actual years:			
1929	875	1,020	900
1930	815	990	835
1931	730	915	740
1932	655	830	640
Composite min. year	635	780	610
Actual years:			
1933	780	890	710
1934	970	1,035	825
1935	1,095	1,095	920

*Exclusive of United States.

The review attributes part of the gain in copper to the transference of the manufacture of copper inside the United States to the manufacture outside. Exports of copper rods, wire and cable and the copper in motors from United States have fallen sharply since 1928.

Due to Power Demand

However, the greater part of this advance in copper consumption is attributed to the expansion of the electrical industry in all countries. While industrial activity in many countries is still much below levels reached before the depression, their use of electrical power has now regained, if not surpassed earlier peaks. This accounts partly for the apparent paradox in the fact that copper consumption is above the composite maximum despite the general lagging in industrial activity.

There has been, of recent weeks, an apparent nervousness over zinc prices which have, as will be seen from the accompanying charts, been less steady in ascending than copper and lead. The lack of demand for zinc, which in 1935 was below the "composite maximum" is attributed to lagging behind in the world demand for galvanized sheets, which is thought to be about one third lower than in 1929. Other outlets for zinc have widened, however.

What is the immediate future outlook for these three metals, which have such important potentialities for Canadian mining? Apparently,

(Continued on page 2, col. 4)

Sir Norman Angell Series Reprinted in Booklet Form

The concluding article in the notable series "Your Money," by Sir Norman Angell, world-famous writer on economic subjects, appears in this issue.

So great has been the interest in these articles and so widespread the suggested demand for them in permanent form, that The Post has reprinted them in a 48-page booklet entitled: "Your Money—Plain Facts in Plain Words."

Sir Norman's outstanding contribution in this series to the world's literature on the subject of money is not only one of timely significance to Canadians, for whose information it was primarily written, but contains a wealth of material invaluable for reference purposes.

The booklets are available at 50 cents a copy, postpaid from The Financial Post, 481 University Avenue, Toronto, Canada. A lower price will be quoted for quantity orders.

Why Wear a BEARD?

2-PIECE SUIT

$22.50

TAILORED BY GOODALL Palm Beach REG. U.S. PAT. OFF. FROM THE GENUINE CLOTH

The fuzziness on the fibres of wool and worsted cloths is called a "beard". It helps to make you nice and warm in the winter . . . because it closes the pores of the cloth. But why wear a beard in summer? The smooth fibres of Palm Beach Cloth help to let the air circulate.

That's one of the reasons why it's the ideal warm weather wear. If you want to know the others . . . come in and look at the handsome new weaves and shades that we have on display. Splendidly varied, handsomely tailored . . . in models for sport, business and vacation wear. Sizes 36 to 44.

These suits may be purchased on Eaton's Budget Plan if you wish.

SECOND FLOOR JAMES STREET

Also obtainable at the Men's Shop.

BAY STREET SECTION

EATON'S-COLLEGE STREET

THE T. EATON CO. LIMITED

CANADIAN PACIFIC
TO OR FROM THE WEST

Go Via

THE GREAT LAKES

Canada's Inland Sea

ON your rail trip to or from the West, spend two joyous days on lovely, island-dotted Georgian Bay, picturesque St. Mary's River and the Great Lakes *at no extra cost for transportation* (only a small charge for meals and berth). Your ship is a stately liner of the Canadian Pacific fleet. Enjoy all the glamour of shipboard life. Cool, bracing air, lounging on deck, dancing, deck sports. Delicious meals, spacious lounge rooms : : : veranda cafe : : : comfortable, airy cabins.

If you wish, you may take the Great Lakes trip as a cruise in itself—a delightful, low-cost holiday.

Ask about Circle Tours. All-Expenses,
5 Zestful Days........................$59.00
6 Thrilling Days......................$63.50

Summer sailings every Wednesday and Saturday westward from Port McNicoll and eastward from Fort William and Port Arthur, visiting Sault Ste Marie en route.

Full information from any Canadian Pacific Agent, including Mr. G. Bruce Burpee, Canadian Pacific Building, King and Yonge Sts., Toronto.

Canadian Pacific

"Canadian Pacific Express Travellers' Cheques... Good the World Over"

WHEN IN LONDON . . .

You can buy THE FINANCIAL POST at our office, 2, 3 and 4 Cockspur Street, next door to Canada House on Trafalgar Square, or at W. H. Smith & Son, Limited, Strand House, Portugal Street, W.C. 2, or

Underground Railway Station Bookstall, Bank, E.C. 2.
Metropolitan Railway Station Bookstall, Moorgate St., E.C. 2.
Southern Railway Station Bookstall, St. Paul's, E.C. 4.
Underground Railway Station Bookstall, Knightsbridge East, S.W. 1.
Metropolitan Railway Station Bookstall, Liverpool Street, E.C. 2.
Kiosk, 34 New Bond Street, W. 1.

IN NEW YORK . .

At our office—MacLean Publishing Company, Room 623, Graybar Building, 420 Lexington Avenue, with entrance from Grand Central Station.

"I didn't think the Bank would be interested"

Many responsible men and women, faced with a temporary emergency, are reluctant to apply to the bank for a loan to tide them over their difficulties.

Yet, such loans are made by this bank every day. They must be used to meet a definite need and the borrower must be financially able to retire the loan within a reasonable period.

If necessary, arrangements can be made with the bank to repay the loan by convenient instalments at stated intervals. Branch Managers of this bank welcome the opportunity of discussing such personal loans with any responsible individual.

THE ROYAL BANK OF CANADA

OVER 700 BRANCHES IN CANADA AND 80 OTHER COUNTRIES

The Nation's Business

(Continued from page 1)

unemployment commission must work.

• • •

INVESTIGATION into how relief funds are spent and the elimination of waste and racketeering are important, but even more important is the adoption of a sympathetic attitude toward the problems of the unemployed and doing everything possible to encourage them to use their own ingenuity and initiative in getting off relief rolls. If the commission can restore the sense of personal responsibility and self-reliance to the worker its purpose will be fulfilled.

In accomplishing this the chief problem of the commission will be to find jobs for the unemployed. There is only one way in which this can be done and this is through the co-operative effort of government, industry and labor. In the past it has been left too much to governments alone, and it can be easily demonstrated that government relief projects, such as public works, fall far short of being a panacea for unemployment. The time has come for every phase of Canadian society to mobilize its forces in order to solve the problem. In this, sound and courageous leadership by the commission can start us on the right road.

• • •

Should Clarify Debt Legislation

NOW that the Supreme Court has given its legal approval of the principle of the Farmers' Creditors Arrangement Act, revising that legislation into practical form would seem to be the next logical step. As pointed out recently in The Financial Post, there never has been any great objection on the part of lending institutions to the reasonable scaling down of farmers' debts.

But there has been, and continues to be, a very real complaint as to the methods in which this and similar debt reducing legislation has been applied. Debt reduction has been carried on in piecemeal fashion. Creditors have not been treated alike. Their protection in case of default has not been defined. Many undeserving debtors have been given substantial reductions. Moreover, it is reported that in some instances the debtor has made no effort whatever to live up to his greatly lessened obligations. There has, too, been no uniformity or finality in any of the debt legislation adopted. In consequence, unscrupulous debtors have benefitted from both provincial and federal settlements, and may now be casting about for fresh legislation of a similar nature. Unsecured creditors in the doctor, dentist, merchant class have invariably received short shrift. Status of the officials administering the legislation is not clear.

• • •

THE greatest weakness of the Farmers' Creditors Arrangement Act and similar provincial legislation is its lack of finality. No one knows what the various governments propose to do next year or the year after. There is no definite limit as to how long and how far this sort of thing may be carried though it was originally intended as an emergency measure only.

So long as such uncertainty exists, there will be a continual flood of applications from that type of debtor to whom a signature on a note or mortgage is of small account.

• • •

Private Building Now Goes Ahead

WHILE gross building figures for the first six months of the current year show only a moderate advance over the corresponding period in 1935, closer analysis indicates much more substantial progress. Privately sponsored construction has now regained the initiative and for the first time since 1930 is leading that provided from the public purse.

Any falling off in total construction during the early months of the current year was entirely due to the gradual withdrawal of the Dominion and Provincial governments from the business building field. Some fears were expressed that when the big new federal buildings were completed in many of the larger centres of Canada this winter, there would be a construction slump. But any slack has been more than taken up by private enterprise. The current situation is thus summarized by July monthly letter of The Royal Bank of Canada:

> "Government enterprise is giving place to private enterprise in Canada. Where private building amounted to about $20 millions in the first 5 months of 1935, it has amounted to $46 millions in 1936. Private building has more than doubled. New investment is beginning to carry the load."

Trade Wheat

Swiss Firm Offers Edmonton Generators In Return for Wheat

From Our Own Correspondent

MONTREAL.—Wheat for power equipment is the proposal advanced by the Swiss Electric Co. of Canada to the city of Edmonton, which needs turbo-generators to meet electricity requirements.

R. S. Griffith, Canadian manager of the Swiss Co. has submitted tenders of $198,680 and $225,370 for generator equipment. To aid the company in obtaining the contract, the Swiss government plans to negotiate with the Canadian government, offering to accept the Dominion's wheat in payment for the machinery. In event of acceptance the necessary arrangements will be made through the Canadian Wheat Board.

At the moment there is no indication of whether or not Edmonton will agree to the proposal. In order to make the necessary additions to the civic power plant, an outlay of about $500,000 would be required. This could be avoided through a new arrangement for supply of power by the Calgary Power Co. The transmission line already is erected and until a short time ago Edmonton had been buying power en bloc in order to cover needs over and above that which could be supplied by the municipal plant.

Canadian Dredge Pays Dividend of $1 a Share

A dividend of $1 a share has been declared by Canadian Dredge & Dock Co., payable August 1, to shareholders of record July 16.

The last previous payment was $2 a share on Feb. 1, 1936, consisting of a regular payment of $1 and a bonus of $1 a share. The present rate is $2 a share, payable semi-annually.

At the beginning of this year, the company had substantial contracts on its books. A large volume of work in 1935 enabled the company to earn $5.02 a share.

Base Metals In Demand

(Continued from page 1)

well informed opinion can go no further in answering this question than the British Metal Corp:

> "In the immediate future, it can hardly be expected that the demand in Germany, Italy, the United Kingdom (despite the armament programme) and Japan, or even in Russia, will continue to expand at the same rate, but this is not to say that there will be a decline from the present levels."

Greatest Hope in Gold Bloc

The greatest hope for expansion in the future lies in France and the other countries of the gold bloc, when their currency difficulties are solved. The review points out that these countries have yet to have their booms, as have the most recent deserters, Poland and Belgium.

"Looking ahead," continues this study, "probably few people would deny that world trade and industry will grow in the next few years. The enormously increased stock and current output of gold, in terms of national currencies, provide an adequate basis for the world's needs of credit. (In fact, without proper safeguards the basis for credit expansion in certain countries is now dangerously large.) Those needs, however, must be delayed until the conclusion, in the future, of agreements to stabilize exchanges (which presuppose 'appropriate' parities), to reduce trade barriers, to revive international lending and thus to effect redistribution of gold stocks."

As to armament demands, the British Metal Corp. take the view that armaments must partly stifle demand for peaceful purposes. If by agreement (of which there seems no prospect) world disarmament succeeded rearmament, there would be a growth of confidence, taxation would be lighter all round, and costs would be reduced, with the result that the industries of peace, in which non-ferrous metals are taking an ever-growing part, would quickly expand.

Foundation Pete Makes Offering

Incorporated in Alberta to acquire all the assets of Northwest Royalties Ltd., Foundation Petroleums Ltd. is currently offering, through Gray, Byrne & Co., of Calgary and Lethbridge, Alberta, 400,000 shares of stock at 25 cents a share in Alberta.

Northwest Royalties Ltd. receive one million shares of Foundation Petroleums stock for its assets. These assets consist of: (1) A leasehold interest in all petroleum and natural gas on property in the South Turner Valley. (2) A leasehold interest in the northeast quarter of legal subdivision 5 of Section 21, Township 18, Range 2, west of the fifth meridian in Alberta; and (3) An oil well partially drilled on the above land to a depth of about 3,100 ft.

In addition to these assets, Foundation Petroleums Ltd. has acquired 500 acres on the Mill Creek structure in the Pincher Creek district for 100,000 treasury shares.

Foundation Petroleums Ltd. has an authorized capitalization of 2 million shares par value 25 cents per share. Of this amount, 1.1 million shares have been issued.

Many Articles Found Cheaper

(Continued from page 1)

lists of similar goods at retail in Windsor and Detroit reveal:

Household Furnishings

	Windsor $	Detroit $
Axminster rugs, large	32.50-34	37.50-47.50
Do., small	3-5.50	2-4.50
Wool blankets, single	2.98	4.98
Do., top qual., dble.	21.50	39.50
Philco 4-t. table radio	39.95	20
Philco auto radio	59.95	39.95
Other auto radios	54.75	39.95
Other auto radios	69	89.50
Easy washers	69-174.50	49.50-159.50
Kelvinator refrig'rs.	189	129.50
Norge refrigerators	149.95	134.50
G. E. refrigerators	194	139.50
Metal radio tubes	2.24	1.68
Other radio tubes	97c. up	59c. up

The prices are not bargain quotations, but those of nationally-known and nationally-advertised products of standard quality. They are based on actual visits to stores in Windsor and Detroit, and while there are fluctuations of a few cents in prices of different stores, the prices are representative of all stores in the 2 cities.

Sporting Goods

In sporting goods, the advantage lies also with the U. S. stores to an even more uniform degree, and as in the case of household furnishings, the Canadian buyer is likely to be lured into the U. S. as the following price comparisons show:

Sports Goods

	Windsor $	Detroit $
Johnston outb'd motors	75	61
Johnston, twin, 12 h.p.	225	165
Official Big League baseball	2	1.85
Official softball	1.85	1.75
Triple face catchers' mitt	17.50	16.50
Profes'nal baseball bats	3.50	2.50
Baseball shoes	8.50	7
Tennis racquets	22 peak	12.75-15.75
Spiked athletic shoes	10	5.50
Badminton racquets	15 peak	12 peak

Ammunition Prices

In hardware stores, too, the price tickets of U. S. stores appear at first glance to offer concessions from corresponding Canadian goods, but the price ranges leave plenty of margin on which goods of varying quality can be bought.

In the case of shotguns, an L. C. Smith double-barrelled gun costs $43.50 in Detroit, while a Belgian-made gun of the same type in Canada can be bought for $40. In ammunition, Canadians have an advantage because manufacturers in the U. S. recently raised their prices to retailers about 17½% and it is possible to secure a good claw-hammer in Canada in the low price brackets, below comparable prices in the U. S.

Hardware Supplies

Comparable hardware prices, based on retail price figures, are shown below:

Hardware

	Windsor $	Detroit $
Carpenter saws	1.25-3.75	49c-3.25
Claw hammers	75c-$2	1-1.50
Winchester pump guns	60-75	46.50
Savage .303 repeat. rifle	65-75	40-52
Double-barrelled shotgun	40	43.50
Stand. shot, all gauges	1.05-1.60	1.25 peak
Aluminum wear, set	35	24.95
Wooden wheelbarrow	4.95-8	3.79-7.50
Lawn mowers, 14", ball-bearing	8.75	4.95
Do., 16"	9.75	5.95

Bicycles Higher in Canada

Bicycles and mechanics' and engineers' precision tools are higher priced in Canada as the following shows:

Bicycles and Tools

	Windsor $	Detroit $
Bicycles	33.50	23.75
Engineers' steel tape, 25'	8.80	6.70
Micrometer calipers	11.75	10
Steel protractors	2.50	2.50

Men's Goods Vary

But when it comes to men's wear an interesting situation is revealed. Investigations in Detroit brought forth the statement that in flannels, the U. S. mills have developed a flannel that stands comparison with the best British flannels, but when tweeds are mentioned the palm goes to the English make. Similar tweeds can be bought in the U. S., having been produced elsewhere at very competitive prices, but in the case of Harris tweeds the advantage lies with the Canadian clothier by at least 35%.

Another famous brand of "twist" suits sells in Windsor at $37.50 but they bring $65 in Detroit. In general, Detroiters looking for quality clothing go to Windsor and in this sphere at least there is no question of the advantage of "Buying in Canada." The Battersby hat, an English importation popular with U. S. men is $3 cheaper in Canada than the U. S., but the Stetson is $1.50 higher in Canada.

Representative men's wear and accessories compare in prices as follows:

Men's Wear

	Windsor $	Detroit $
Stetson l'tweight hats	6.50	5
Battersby, English hats	6	9
Borsalino hats	8-10	10-15
Washable bathrobes	5.95 up	5-20
Silk sox	69c-75c	$2 peak
Wool and lisle sox	3 pr. $1	3 pr. 75c-$1
All wool suits	19.50	25
Overcoats	16.50 up	20 up
Palm Beach suits, cotton (U. S.) English tropical worsteds, wool (Can.)	15-20	12.75-39.50
Flannel bathrobes	7.95-18.50	7.50-20
Broadcloth shirts	95c-1.95	1.45-5
Rolls razor	6.95	10

Women's Wear Prices

Women's wear is probably the most misleading field of all, at first glance, and probably the reason why mother clings grimly to her view "We can buy it cheaper in the States."

In this connection an experienced woman shopper recently visited the U. S. She took $100 with her on a trip to New York city, to buy dresses and returned with only 2 cotton house dresses. She found quantities of low priced merchandise, worth no more than the prices charged—if as much.

She visited Madison Ave. stores in search of high quality dresses but in that section there was nothing that gave an advantage over identical dresses obtainable in Canada at the same or lower prices. She returned with her 2 cotton house dresses and the balance of her money for expenditure in Canada.

Accessories Cost Less

Accessories are also cheaper in Canada, women shoppers find. So are silk negligees and silk robes, but both chiffon and service weight hose are higher in price than across the border.

The following prices compare for the same standard of goods in women's wear:

Women's Wear

	Windsor $	Detroit $
Cotton print frocks	1-3.95	1.59-5.95
Chiffon hose	69c-$1	59c-$2.95
Service weight hose	75c-$1	59c-$1.95
Crêpe slips	1.50-3.95	1.50-3.95
Satin slips	1.95-4.95	16.95 peak
Silk nightgowns	2.95-8.95	1.59-25
Flannel robes	2.95-12.95	5.95-12.95
Silk negligees	3.95-15	5.95-16.95
Silk robes	2.95-16.95	3.95-7.95
Ordinary gloves	1-1.50	1-2
Kid gloves	1.98-2.98	2-4.95
Chamois gloves	1.98-3.98	2-5
Imported kid gloves	1.98-3.98	2.50-6.95
White sports coats	9.95-29.50	8.95-29.75

Toilet Articles Less in U. S.

Druggists' sundries and toilet articles can be studied to advantage by both men and women who seek to buy for less in the U. S. There are many items in this category in Canada that cannot be compared with U. S. goods, such as independent brands of toothpastes, lotions, hand creams, face powders.

Most perfumes are far less costly in Canada but other brands are more expensive than across the border. Eastman kodaks are uniformly higher in price on the Canadian side of the border but imported cameras, such as the German "Leica" now have to pay an added duty of 45 to 50% on entering the U. S. and the effect is expected to be beneficial from the standpoint of increased Canadian camera sales in border areas.

Razor blades and toothpastes sell in Canada at prices well over those of the U. S. as the following list shows:

Drugs and Toilet Articles

	Windsor $	Detroit $
Pebeco toothpaste	43c	33c
Squibb's toothpaste	42c	33c
Gillette razor blades, 5's	25c	18c
Do., 10's	50c	34c
Gem razor blades, 10's	50c	34c
Patou's perfume, oz.	7	12
Bayer's aspirin, doz.	22c	15c
Gourlaine face powders	1.20	1.25-1.75
Gourlaine's perfume, oz.	8.75	12
Other perfume, Gourlaine's	24	32
Cutex nail polish	35c	31c
Cutex polish remover	35c	31c
Cutex hand cream	50c	45c
Yardley's soap	35c	35c
Yardley's laven'r water	1-1.50	1-1.90
Yardley's bath powders	1.50	1.35
Yardley's crystals	1	1.10
Listerine mouth wash	89c	59c
Cascarets, small	24c	17c
Do., large	47c	34c
Ex-Lax, small	15c	13c
Do., large	33c	28c
Coty's L'Amant perfume, oz.	3.50	5.20
Eastman 616 Jr. camera	12.25	10.89
Do., 620 Jr. camera	14	11.98
Do., 616 camera	20.50	18

Cigarettes and Tobacco

Only in imported pipes, such as Melachrino and Dunhill, as well as other high grade pipes, has the Canadian buyer the advantage in the tobacco stores of Canada and the U. S.

Otherwise, cigarette prices in Canada, due to heavy taxation, are far above those of the U. S. The following is a comparative list:

Tobacco Products

	Windsor	Detroit
Cigarettes	20 for 20c	20 for 12c
La Palina cigars	10c each	5c each
Burley tobacco	$1-$1.50 lb.	75c-$1 lb.
Chew. tobacco	10c-15c (small)	10c (large)
Havana cigars	15c-20c	15c to 3 for 50c.
Ordinary cigars	5c each	5 for 23c
Melachrino No. 8 cigarettes	20 for 25c	20 for 30c
Dunhill pipes	$6	$10
Ordinary pipes	$2.50-$3	$2.50-$3

With tobacco and cigarettes, it is still a case of the oft repeated request to "Bring back a carton for me." There is a decided difference between the taste of Canadian and U. S. cigarettes, and the Canadian taste for Canadian cigarettes is well established. The difference in price is so large, however, that Canadians will probably continue to get cut-rate cigarettes from the U. S. whenever they can do so.

Cut-Rate Stores

There are cut-rate stores in Detroit in other lines of merchandise. Some of them cut standard price rates ruthlessly in all kinds of goods. Automobile radios, bearing a trade name but without the manufacturer's name may be bought as low as $19 and $25. Radio tubes are available at 35 cents and razor blades at a cent each. Cigars are two for 5 cents in some stores or 12 for 50 cents. They are usually worth a little less than the price at which they sell. Never more.

But that does not mean "You can get it cheaper in the U. S." The statement is only half true, and like all half-truths it is very misleading.

Investment Trusts

	Bid	Asked
Can. Amer. Trust	3.90	4.10
Can. Equity	12.00	...
Can. Invest. Fund	4.25	4.55
Grouped Income	5.78	6.30
Can. Int. Trust	5.25	5.75
All Can. Trustee	12.25	12.75
Trans-Canada	11.60	12.35

Listed Bonds

Week Ended July 6, 1936

	Int. rate	Due	High	Low	Range 1936 High	Low
Mtl. L. H. & P. Debs.	3	'39	51	50⅞	51⅛	50
McNish	6	'48	3.70	3.50	3.75	3.00

Silver Prices

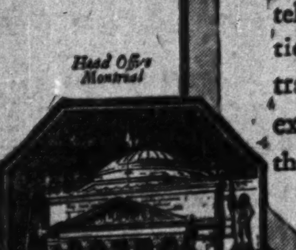
Trading in Montreal June 29 to July 4

	High	Low	Close	Contracts
July	44.65	44.40	44.47	30
Sept.	44.68	44.68	[illegible]	1
Dec.	45.28	45.10	[illegible]	7
Mar.	45.50	45.50	[illegible]	7

MADE DIRECTOR

James S. Duncan, Jr. (above), general manager of Massey-Harris Co. since November last, has been elected a director of the company.

The company announces the resignation from the board of B. W. Burtsell, former general manager. Mr. Burtsell's ill health in the spring of 1935 was the occasion of Mr. Duncan being brought back to Canada to assist him. Later Mr. Burtsell resigned as general manager and Mr. Duncan succeeded him. The board hoped that he would be able to continue the services already given in the adjustment of the company to the critical years of the depression but Mr. Burtsell feels his health will not let him give any further attention to the company's affairs in an official way.



SPECIAL telegraph wire facilities to speed your transactions in the exchange markets of the world.

MODERN, EFFICIENT BANKING SERVICE . . . *the outcome of 118 years' successful operation.*

BANK OF MONTREAL

Established 1817

Lake St. John to Capitalize Arrears on Funded Debt

From Our Own Correspondent

MONTREAL.—Unofficially it is understood Lake St. John Power & Paper Co. is working on a plan of cleaning up its capital structure which, among other things will provide for exchange of the present 6½% first mortgage bonds, on which there are arrears of interest of about 16%, on the basis of $1,200 of new 5½% first mortgage bonds, a small amount of cash and an interest in the common stock for each $1,000 bond.

While no particulars are available as to the proposed treatment of other security holders, it is said that the plan in essence provides for capitalization of interest arrears and reducing fixed charges somewhat. Holders of the mortgage debentures, preferred and common stock will be given treatment with this objective in view.

Bondholders have been in control of Lake St. John since 1932, when bond interest was defaulted. Control was taken over from St. Lawrence Corp. and a new management installed.

Current operations of the company are at the highest rate reported in several years. Further, earnings have begun to reflect larger shipments, and to date this year income is said to have been sufficient to cover depreciation, interest on bonds and debentures, with a balance available on the capital stock.

Can. Celanese Shows Profits

$750,000 of New Capital Will be Spent on Plant

From Our Own Correspondent

MONTREAL.—Canadian Celanese Ltd. reports a net profit of $372,423 from operations during the first quarter of 1936 and available for distribution on its capital stock. This figure apparently does not include other income and is after depreciation, but before provision for the 10% participating dividend on the preferred stock and the setting aside of $122,400 for interest on the income funding rights. The latter two charges are dependent upon operations for the full year and are not appropriated until all returns are in.

Particulars of the company's financial position as at March 31 last are contained in a prospectus filed with the Secretary of State covering the sale of an additional stock to the public through Nesbitt, Thomson & Co.

A comparatively sharp decline in holdings of government bonds is due to the setting up of a special fund in respect to the Income Funding Rights. Under the by-laws, the company is obligated to set up a fund of $367,200 in cash or trustee securities.

This fund has now been separated from the rest of the accounts. It covers $266,700 of government bonds and 4,020 rights valued at $100,500.

Originally the company issued 90,000 rights in lieu of dividend arrears on the preferred stock. The company holds power to buy in these rights up to a cost of $25 each. At the end of 1935, 1,000 of these rights had been acquired. The interim statement therefore indicates that in the first 3 months of this year an additional 3,020 rights were purchased, thus reducing the number outstanding to 85,980.

The prospectus contains particulars of the recent sale of preferred and common shares to Nesbitt, Thomson & Co. For 10,000 shares of preferred and an equal number of common shares the company receives an aggregate of $1.4 million plus interest to equalize dividends to accrue on the preferred shares.

Metal Prices

New York—July 7—
Copper: Electrolytic spot and future, $9.50.
Silver: 44¾c.

London—July 7—
(Long Ton)—
Copper: Electrolytic spot, £40 15s. Standard spot, £36 15s; future, £37.
Tin: Spot, £183; future, £180.
Lead: Spot, £15 7s. 6d; future, £15 10s.
Zinc: Spot, £13 7s. 6d; future, £13 12s. 6d.
Gold: 139s.
Silver: 19⅝d.

Canada—July 7—
Gold: $34.93.

Management and Money

Responsible Executive, 42, with broad selling, manufacturing and Industrial Organization experience wishes to associate himself actively with concern anticipating expansion, replacing retiring member, or branch management.

$10,000 to $25,000 initially available

Of particular interest to those who wish to unburden responsibility. Canadian, English and American experience. Confidential Communications invited.

Write Box 86

The FINANCIAL POST
Dominion Square
Building, Montreal

"YOUR MONEY" . . .

Plain facts in plain words!

SIR NORMAN ANGELL'S notable series of articles, "Your Money," written exclusively for The Financial Post, now is available in booklet form.

Whether you have read any, all, or none of these articles, on a subject so vital to everyone, you should have a copy of this booklet containing the complete series.

From cover to cover, throughout its 48 pages, this reprint of Sir Norman's authoritative and interesting work is replete with colorful and significant information. It will prove a valuable addition to any library.

The supply of these booklets is limited. Make sure of your copy by sending in your order now. The price is 50 cents. Lower prices on quantity orders of ten or more on request.

USE THE COUPON — TODAY!

THE FINANCIAL POST,
481 University Avenue, Toronto, Canada.

Send me postpaid .... copies of "YOUR MONEY," containing the series of articles by Sir Norman Angell. Enclosed is $............ in payment.

NAME ....

ADDRESS ....

.... 692

B.C. Gossips On Successor For Pattullo

Premier May Not Lead Liberals in Next Election

MUCH SPECULATION

BY STAFF REPORTER

VICTORIA.—Political and legislative undercurrents in British Columbia are of particular interest at present.

It is gossiped widely that Premier T. D. Pattullo may not retain the leadership of the Liberal party for another general election.

It is understood the next session of the legislature in the autumn will probably be devoted chiefly to devising means of aiding B. C. municipalities in their financial problems.

There is widespread speculation over the possibility that the leftist C.C.F. party may gain sufficient strength to form the next government.

Mr. Pattullo's Position

Premier Pattullo has been the object of criticism within the Liberal party and among the electorate. One cause of discontent has been selection, as cabinet ministers and officials, of men who did not suit some of the party stalwarts.

A cause of some dissatisfaction among business and medical men has been the new health insurance legislation. Business organizations think the charge on payrolls will be onerous and the doctors think they are unlikely to get adequate compensation for services.

The New Westminster bridge across the Fraser River is also a source of dissatisfaction. Citizens of Vancouver are not pleased that it will be necessary to pay a toll to get in or out of the city and it is also claimed the bridge is an unnecessary political venture.

Possible Successor

Already there is speculation over Mr. Pattullo's possible successor. Hon. Geo. S. Pearson, Minister of Mines, is rated first choice by political gossipers.

Hon. Dr. G. M. Weir, Minister of Health, would have only an outside chance, it is believed, because of his strong sponsorship of health insurance which was not entirely pleasing to business interests.

Hon. Gordon Sloan, attorney-general, is one of the cabinet ministers whose selection prior to election has caused adverse comment, so that he does not appear a likely premier in the event of Mr. Pattullo's withdrawal.

Hon. John Hart, Minister of Finance, is considered eminently suited to his present difficult job and is therefore not regarded as a strong probability for the premiership.

While the government won its Omineca by-election, this is not regarded as a sign of particular strength because it concerned what is regarded as a "safe" Liberal seat.

Aid For Municipalities

The coming session that will deal with municipal problems will involve either restoration of former provincial grants to municipalities for social services, or possibly some more generous treatment of municipal expenses for unemployment relief.

Any proposals to aid municipalities would be of particular importance to Vancouver. Assistance from the province would metamorphose the city's financial position which has led to claims for reduced interest rates on bonds. Another encouraging factor in the Vancouver situation is that tax receipts have risen over 20% in the first 5 months of 1936, on top of a gain of over 30% in the first 5 months of 1935 over 1934. This is shown below:

Vancouver Receipts for First 5 Months

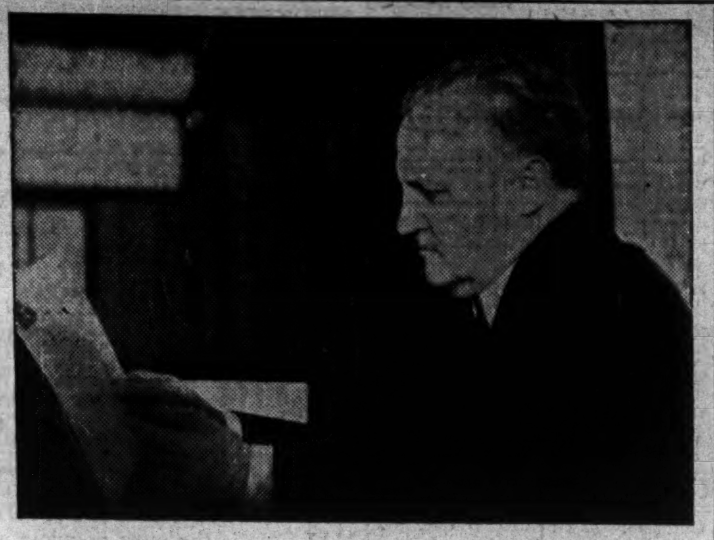
	1936 $ 000's	1935 $ 000's	1934 $ 000's
Curr. taxes	2,331	1,709	914
Tax arrears	745	675	743
Water rates	537	512	488
Sundry	751	722	664
Totals	4,364	3,618	2,809

Government Views

The precise method by which the provincial government may attempt to aid municipalities with their finances does not appear to have been determined. There is believed to be a possibility of a direct provincial sales tax which could be passed on to municipalities. Or the province might grant municipalities the right to levy direct sales taxes themselves, although this might cause some confusion.

The government view is understood to be that it is undesirable and unnecessary that municipal finances should deteriorate in British Columbia. Hence the intention to do something to help out the municipalities.

It will be recalled that formerly the government made large grants to municipalities to cover the cost of hospitalization, health services and so on, and shared liquor profits and pari-mutuel revenues with municipalities. The province cut off these payments during the depression in order to strengthen its own budget position. Aid for municipalities, therefore, would amount to restoration of these once-substantial allowances.



PONDERS PROBLEMS

Here is Premier T. D. Pattullo of British Columbia as he studies the province's new state health insurance scheme which has proved so controversial. It is said he may not retain his leadership of the Liberal party through the next general election.

Dominion Road Machinery Co. announces a new Gyrol fine reduction crusher for mines, quarries and contract work where fine uniform crushed material under ¾ inch is required.

Board Censures Canada Electric

Nova Scotia Utilities Body Does Not Like Foreign Connections

From Our Own Correspondent

MONTREAL. — Canada Electric Co., second largest power company in Nova Scotia, had its estimated operating expenses reduced by the Nova Scotia Board of Public Utilities by more than 5%, resulting in a reduction of more than $18,411 in power charges to domestic and commercial consumers in Amherst and vicinity.

In making its decision the Board issued a final warning to the company that its foreign relations will be closely watched hereafter as a result of its ignoring the provisions of the Public Utilities Act. Allegations are made that the rates charged were "illegal" because of their non-approval by the board.

The company was originally formed by Amherst citizens, but in 1930 was acquired by the Central States Power and Light Corp. and in turn by the Public Utilities Securities Corp., an American holding company.

Lincoln Pulp and Paper Reduces Capital Stock

MONTREAL.—Lincoln Pulp and Paper Co., a subsidiary of Alliance Paper Mills which in turn is controlled by Howard Smith Paper Mills, has taken out supplementary letters patent reducing the authorized capital stock from $200,000 of 7 per cent pre-preferred stock; $1,250,000 of 7 per cent preference stock, and 6,000 shares of no par value common stock to $838,400 of preference stock and 6,000 shares of no par value common stock.

The decrease will be effected by repayment and cancellation of 2,000 issued shares of pre-preference stock of par value of $100 each, and by the repayment and cancellation of 4,116 shares of preference stock of the par value of $100 each.

All of these shares are held by the Alliance Paper Mills.

Low Tariff Swing; Talk of Inflation Session Highlights

Government Steadily Advancing Policy of International Trade — More Reports Heard of Inflation Move in Fall

From Our Own Correspondent

OTTAWA. — Two developments mark the session of parliament just closed as of prime importance not only to businessmen but to the country in general.

Since taking office last October, and particularly during the session, the government advanced steadily a definite policy of low tariff and international trade. The movement toward economic nationalism, evident in the past five years, not only has been checked; it has been reversed and the pendulum of policy is now swinging toward internationalism at an ever-increasing speed.

Money Now Political Issue

The second development is, perhaps, more important but less obvious. The effect of the amendment to the Bank of Canada Act has been greatly under-estimated. For good or ill, the bank is now strictly in the control of the government and the cabinet must take full responsibility for the monetary policies followed.

Depends on Business

Therefore, the vexed question of inflation versus sound money now becomes, like the tariff, a wide open controversy in which the least of the electors will have as much influence in the final analysis as the expert banker or economist. Failing improvement in trade, the inflationists have a free field. The institution in control of monetary policy is susceptible of political control and the ballot box must be the last court of resort.

The trade policy, while clearly defined, is as yet in its infancy. The United States agreement, the Japanese settlement and the budget now appear in their proper settings not as major policies in themselves, but as preliminary skirmishes in a main battle soon to begin. The master policy, which dictated these immediate moves, comes from Premier W. L. M. King. Of that there can be no question. But it is equally true that the present government, as it has shaped itself these past 8 months, is overwhelmingly low tariff—more so than any previous administration since the Mackenzie régime of 1874-78.

Out For Markets

With the departure last Friday of Hon. Charles A. Dunning for London, the search for wider export markets is resumed. It will be a more vigorous search than was forecast in The Financial Post a few weeks ago. The whole of Europe is to be ransacked this summer for markets for Canadian products. The negotiations with the British government will proceed. Hon. W. O. Euler minister of trade and commerce, left this week for Germany and Russia and has extended his itinerary to include Belgium, Holland, Denmark and Switzerland. In addition, Mr. Justice W. F. A. Turgeon, of Regina, wheat commissioner, launches his enquiry by going to Europe, also in search of wheat markets.

Argentine Threat Looms

It is believed in government circles that there is urgent need for haste. In recent years, Argentine has wrested valuable continental wheat markets from Canada. Since last December considerable headway has been made in regaining these markets but Argentine was not in a position to compete, having little or no wheat. The new Argentine crop promises well and will be available for export next January. The government foresees keen competition and desires to make hay while the sun shines.

It is freely conceded that all these expeditions forecast lower tariffs. Markets, it is believed, can be greatly enlarged, but only on a reciprocal basis. Canada's quid pro quo must be tariff reductions. It is said that even Mr. Euler, who is rated a strong protectionist, is seeing things differently now that he is at the throttle of the wheat business.

King Explains Stand

Just what is to be expected cannot be forecast in terms of tariff items or rates of duty.

It is from these quarters—tariff and monetary policy—that business may expect important changes in the future. That the next session will bring tariff reductions, chiefly on textiles and iron and steel, is thought certain. In the realm of monetary policy, the immediate future is for stability. But long range possibilities are inextricably bound up with economic and political conditions.

If rapid improvement in trade is long delayed, the political pressure for inflation will be all but irresistible. It has grown rapidly in the past 3 months. Indeed, since June 1, numerous reports, frequently based upon cabinet sources, have indicated an inflationary move this fall: The government has been reported as considering the issue of some $75 millions of paper currency. The present Bank of Canada Act would countenance a much greater issue, so that no statutory obstacles to inflation exist. These reports prove the presence in the cabinet of an inflationist group.

Most of Cabinet Opposed

It is learned, officially, however, that the majority of the cabinet is resolutely opposed to such a policy at this time and that there will be no change in this attitude before the next session of parliament.

Small Investors Buy Paper Shares

They've Subscribed $109,000 for Calgary Albertan

BY STAFF REPORTER

CALGARY.—Offering of 28,000 preferred shares for $700,000 to secure complete control of the Albertan, the province's only daily morning newspaper, to provide at least one publication favorable to the Social Credit government is still being made by O. C. Arnott & Co., Calgary.

Sale of shares in Albertan Publishers Ltd. for cash totals $109,500 for 438 preferred shares of $25 each, plus bonus distribution of 211 common shares, according to official records.

It is reported that if large subscriptions were accepted sale of half the entire issue could be recorded. It is also known, however, that large investors have not bought. Premier Aberhart is understod to favor continuation of sales in small lots to get a wide distribution.

Bank Has Lien

The Royal Bank of Canada had a lien on the newspaper's assets, so that cash raised by sale of shares eases a debt position. No dividends are being paid, nor has a complete financial statement been issued.

Numerous women appear on the list of buyers of the newspaper shares. Most holdings are 1, 2 or 4 shares, or $25, $50 and $100. Many small points have shareholders, and Calgary is well represented, Edmonton, however, has been a barren market for shares.

Larger Blocks

Biggest block is 61,000 common shares of the late George M. Bell, held in trust for Albertan Publishing Co. This firm is selling the newspaper to Albertan Publishers Ltd., whose shares are being offered to complete the deal. Meanwhile government forces are in nominal control of the newspaper.

Also, 226 preferred shares, or $5,650 and 113 common have been issued to C. K. Underwood, Frank Hollingsworth and the Alberta Social Credit Chronicle. The latter paper was taken into the new publishing company.

A representative group of larger individual shareholders follows:

Buyers of Albertan Shares

Shareholders:	shs.	shs.	$
Elizabeth Smith, Calgary	40	20	1,000
Katy Mary Rowe, Munson	20	10	500
Mary Edith Boose, Turner Valley	16	8	400
Kenneth Arthur Cassidy, Duchess	16	8	400
Edith & Peter McCallum, Suffield	12	6	300
Mrs. Emily Ledray, Marlboro	10	5	250

Medical Men Recommend Health Insurance Survey

From Our Own Correspondent

VANCOUVER.—Conflicting views on health insurance were expressed by delegates to the Canadian Medical Association convention in Victoria. The subject was of special interest in British Columbia because of the action of the legislature adopting a health insurance plan, operative next year.

The association went on record as favoring a study of the whole question of health insurance by a royal commission.

Port of Halifax Records Growth

Past Year One of Expansion — Expenditures Exceed Revenues

From Our Own Correspondent

MONTREAL.—Operations at the port of Halifax during 1935 were on a larger scale than in the previous years, and while revenues increased, they were more than offset by increased expenditures, according to the annual report of the commissioners.

The number of vessels using the commission's piers increased in 1935; net tonnage of vessels was lower; cargo tonnage was slightly up, and the number of passengers arriving and departing decreased.

Grain Shipments Double

Grain shipped through the port almost doubled the total figure for 1934. There were 4.7 million bushels cleared through the elevators, by far the largest total shipment since 1932. The increase has been steady since that year.

Total revenue for the year stood at $500,936, an increase of $29,702 over that of 1934. Expenditures totalled $577,035, an increase of $84,644.

Western Jack Rabbits

Three million jack rabbits, whose down will make felt for men's headgear, total the winter's catch in Saskatchewan and have brought farmers of the province $500,000 in revenue.

Trust Business in Montreal

If you or your associates have business interests in Montreal in connection with which the services of a Trust Company would prove helpful, refer the matter to the Crown Trust Company for efficient services and close personal attention.

Crown Trust Company

EXECUTORS TRUSTEES — FINANCIAL AGENTS

William I. Gear, President.
John Jenkins, Vice-Pres. Arthur Lyman, Vice-Pres.
Irving P. Rexford, General Manager.
393 St. James Street West - Montreal.

ARROWHEAD GOLD MINES LIMITED
(No Personal Liability)
Bought, Sold, Quoted
DUNCANSON, WHITE & CO.
Members Toronto Stock Exchange
Canadian Commodity Exchange, Inc.
New York Curb (Associate)
15 KING STREET WEST, TORONTO. WA. 3401-8.

"QUARTERLY QUOTATIONS"

The July edition of our *Quarterly Quotations* is now available, showing the current market prices of a comprehensive list of government, provincial, municipal, public utility and industrial bonds.

A copy will be gladly furnished upon request.

VANCOUVER
OTTAWA
QUEBEC
SAINT JOHN
MONCTON
HALIFAX
FREDERICTON
CAMPBELLTON
CHARLOTTETOWN

W. C. Pitfield & Company
Limited

235 St. James Street
Montreal

80 King Street West
Toronto

ONLY DODGE TRUCKS GIVE YOU "Pre-Proved" ECONOMY!

SPRAY COOLED EXHAUST VALVE SEATS CHECK DISTORTION SAVE GAS
EXHAUST VALVE SEAT INSERTS MAKE VALVES SEAT TIGHTER SAVE GAS
4 PISTON RINGS INSTEAD OF 3: BETTER COMPRESSION SAVE GAS AND OIL
ALUMINUM ALLOY PISTONS ARE LIGHTER SAVE STRAIN ON ENGINE SAVE GAS
FULL-LENGTH WATER JACKETS COOL CYLINDERS THEIR ENTIRE LENGTH SAVE GAS AND OIL
THIS CUTS OIL TEMPERATURE 40 TO 50 DEGREES SAVES OIL
OIL

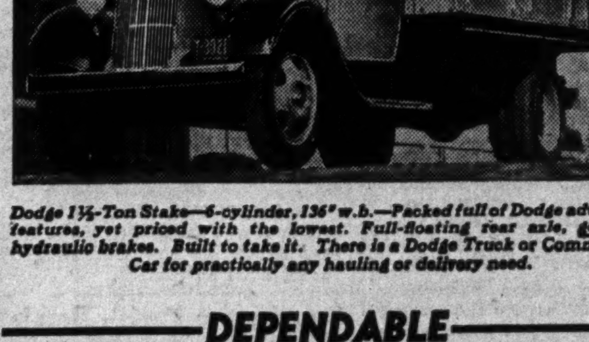
6 tested engine advancements save up to $95 a year in gas alone, say owners.

IF YOU are going to buy a Truck or Commercial Car check up on Dodge! Look for proof of its amazing economy in the many, acknowledged, quality features which have been engineered into this powerful Dodge Truck to save you money. Owners have saved up to $95 in gas alone.

"Fore-Point" load distribution increases hauling efficiency . . . *genuine* Dodge Hydraulic Brakes save tires, brake lining and brake adjusting expense . . . the Dodge 6-cylinder, L-head engine, with 70 horsepower, is the most dependable, economical type of truck engine.

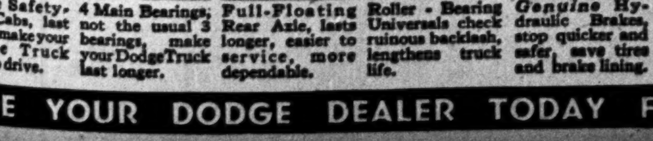
No matter what type of Truck or Commercial Car you need, get the comparative facts in the 1936 Dodge "Show-Down" Score Card. Ask any Dodge-DeSoto dealer for a copy and make your own comparisons. See your dealer today.

The Chrysler Motors-Commercial Credit Corporation 7% Time Payment Plan is an easy and economical way to arrange time payments to fit your income.



Dodge 1½-Ton Stake—6-cylinder, 136" w.b.—Packed full of Dodge advanced features, yet priced with the lowest. Full-floating rear axle, genuine hydraulic brakes. Built to take it. There is a Dodge Truck or Commercial Car for practically any hauling or delivery need.

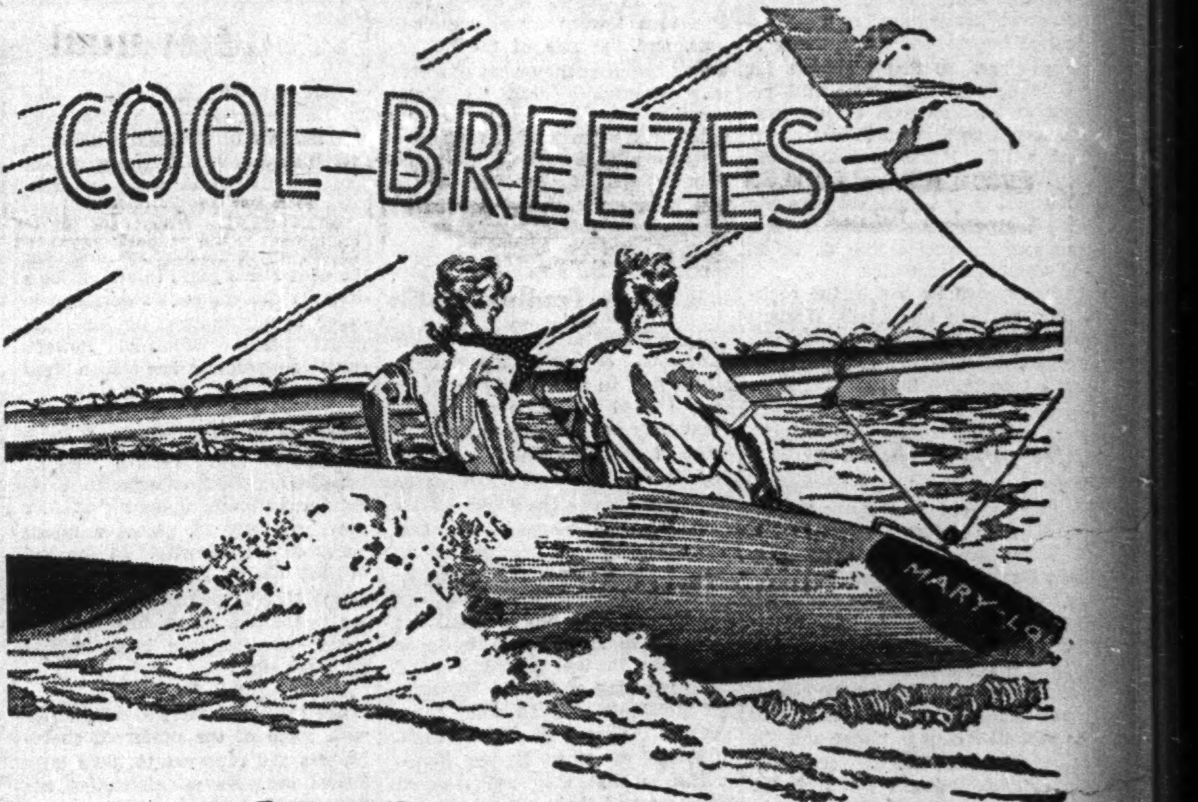
DOZENS OF QUALITY FEATURES SAVE YOU MONEY!



Dodge Safety-Steel Cabs, last longer, make your Dodge Truck safer to drive. 4 Main Bearings, not the usual 3 bearings, make your Dodge Truck last longer. Full-Floating Rear Axle, lasts longer, easier to service, more dependable. Roller - Bearing Universals check ruinous backlash, lengthens truck life. *Genuine* Hydraulic Brakes, stop quicker and safer, save tires and brake lining.

—DEPENDABLE—
DODGE TRUCKS

SEE YOUR DODGE DEALER TODAY FOR A "SHOW-DOWN" OF VALUE



mean New Comfort to Living... More Profit to Business

THIS SUMMER, don't let excessive heat and humidity rob you of comfort in your home—and profits in your business. Call in a General Electric specialist and let him show you how easily and economically you can enjoy the welcome advantages of G-E Summer Air Conditioning.

Canadian General Electric offers you room coolers for the home, office and smaller store—inexpensive air circulators for the home — and complete air conditioning systems to meet every need.

Even on the hottest days, G-E Air Conditioning will keep your home or place of business comfortably cool. No more sweltering days or sleepless nights! No more summer slump in your business —whether it is a store, restaurant, barber shop, beauty salon or doctor's office! G-E Summer Air Conditioning will attract more customers — return you substantial profits on your investment.

Installations are simple and inexpensive— and you can buy on terms to suit your convenience.

GENERAL ELECTRIC
Summer Air Conditioning

- ● IN THE HOME
- ● IN THE OFFICE
- ● IN THE BARBER SHOP
- ● IN THE STORE
- ● IN THE RESTAURANT

CANADIAN
GENERAL ELECTRIC CO., LIMITED

MAIL THIS COUPON NOW!

P-86X-FP
Canadian General Electric Co., Limited,
212 King Street W., Toronto.
Please send me, without obligation, illustrated booklet "It's In the Air", describing General Electric Summer Air Conditioning.
Name..........
Address..........
N.B.—Check Type of equipment in which you are interested.
Home........ Office........ Store........ Restaurant........

Investment Trends

Market Averages Still in Test Zone

Possibility of Recession of Stocks in Early Future at Least as Great as Likelihood of Further Rise — Weather and Inflationary Influences

Long-term trend of share prices appears still to be upward since the long-range business indications are that economic recovery will continue.

For the few months immediately ahead, however, the possibility remains of a recurrence of the decline of stocks seen last April. Market averages continue to move in a sort of testing zone and until the trend is clarified there appears to be at least as much likelihood of considerable decline as of resumption of the longer-term rise.

Drought in western wheat areas is discouraging in that it means continued stress in depressed areas and small handlings. Drought and expiration of spending that arose from the soldiers' bonus may result in a comparatively poor third quarter in the United States.

International politics hold promise of unrest, particularly in France, Germany and the United States, with Russo-Japanese friction continuing.

Domestic and export volume remains satisfactory in Canadian industries such as lumber, food products, tourist trade, newsprint and numerous manufactures.

Recovery from Depths

RECENT stock market recovery from April low points has barely held Toronto and Montreal Stock Exchange industrial averages above 130 and 72 respectively, compared with high points this year of 143.5 and 78.4. In New York the Dow-Jones average for industrials recovered above 158, compared with a high for the year of 162.

Readers of the averages view the rise since April as a somewhat slow rebound from the depths touched at the close of April. Following this rebound, it is natural to expect a return toward the low points.

Prospects for the early future may be summarized: Should averages plough through their former highest levels in fairly active trading, some additional advance would be expected; and recovery would probably ensue if the April low points were approached but not pierced. If, however, averages move clearly below April bottoms, further softness would be in sight. The April lows for industrial shares to watch are: Toronto, 126.3; Montreal, 69.7; New York (Dow-Jones) 143.7.

Meanwhile comparative inactivity appears likely.

* * *

Western Weather

ADVERSE weather conditions for Western grain crops bode little good for implement companies like Cockshutt Plow and Massey-Harris. However, prices may represent a marked improvement over those in recent years, so that prospects for the implement companies still remain at least as good as last year and would be somewhat better if it were not for increased competition resulting from tariff reductions.

A small crop would not help the grain and elevator companies and transport industries like C. P. R. and Canada Steamships.

Comfort can be had in the probability that on the whole Western grain business is unlikely to be any worse than last year and probably will be somewhat better.

* * *

Inflationary Influences

TWO major problems for today's investor are low interest rates and the fear of inflation, says Orrin G. Wood, president of the Investment Bankers Association of America. Both arise largely from inflationary government policies.

What the investor must guard against is reduction of income now, lasting for the life of long-term bonds, since he may find later that his cost of living is rising and the value of fixed-income securities gradually declining. Apart from the inherent risks, the danger for the investor to watch when he buys equity or profit-sharing securities is that he does not become so enamored of their attractions as recovery progresses that he forgets the time will come when profits should be returned to the highest quality bonds.

* * *

Political Confusion

BRITISH politics may play an important part in negotiations for renewal of Empire trade treaties. Signing of favorable agreements is important to the export business of food firms such as Canada Packers, Burns & Co., Canadian Canners, and many others. Concessions to British interests may add to the problems of Canadian textile firms and might reduce tariffs on various steel and metal products.

French socialism under the Blum régime faces the same old problem of devaluation of the franc or continued depression. This lies behind strikes and rioting. Devaluation may be the alternative to some sort of French fascism or to radicalism.

In the United States, election campaigns are causing some financial nervousness. Apparently this influence has kept Americans from liquidating Canadian securities despite adverse developments here. Mistrust of themselves, therefore, has resulted in unwitting American support for Canadian markets. The odds favor re-election of Roosevelt, but there may be an unfriendly Congress to bar the road to state socialism.

Canadian political conditions hold promise of stability except in Alberta. In Quebec, of course, there is a turn toward social consciousness, and the size of the deficits, which has been somewhat obscured, may eventually lead to higher taxation, since election propaganda holds little promise of retrenchment in expenditures. This does not promise well for utilities whose shares have therefore been listless.

Drops U. S. Tax Trading Profits

In a letter to Canadian clients Thomson & McKinnon inform them that an important change in the United States law provides that they are not now taxable in respect of profits made in trading in United States stocks or commodities.

The actual clause states that "the effecting of transactions in the United States in stocks, securities or commodities through a residential broker shall not amount to engaging in trade or business in the United States." The meaning of that to Thomson & McKinnon and to other firms having offices in New York, Chicago or other United States cities is that they are resident brokers and their clients are not now taxable on trading profits.

It is probable also that the U. S. Treasury is making the best of a bad job and that such a tax is hard to collect from aliens.

NINE YEARS of Steady Expansion

Canadian Celanese Limited, maker of cellulose-acetate yarns and fabrics sold under the well-known trade name, "Celanese", employed 400 operatives in 1927. Today the plant employs 3,000 people. The Company has experienced steady expansion during the past nine years and the plant at Drummondville, P.Q., now occupies over 700,000 square feet of floor space.

Average net profits of the Company for the three years amounted to $1,412,717, which is equal to $15.69 on the $9,000,000 of Preferred Stock which was outstanding during the period. Net profits in 1935 of $1,492,826 were equivalent to $14.92 on all the Preferred Stock to be presently outstanding.

In 1935 the Company earned $3.10 per share on Common Stock outstanding during the year, and the Common Stock is now on a regular dividend basis of $1.60 per share per annum, payable quarterly.

We recommend

CANADIAN CELANESE LIMITED

7% Cumulative Participating Preferred Stock; Common Stock without nominal or par value.

AT THE MARKET.

NESBITT, THOMSON
AND COMPANY LIMITED
355 St. James Street West, Montreal
Branches in the principal cities of Canada

Subsidy Possible For Pacific Boats

From Our Own Correspondent

MONTREAL. — Completion of plans for two 25,000-ton liners with a speed of 22 knots for the Canadian-Australasian run will be carried out as soon as a favorable decision is reached by the British and Dominion governments in regard to subsidies, according to a statement made by Sir Edward Beatty, chairman and president of the Canadian Pacific Railway.

The London conference of Imperial and Dominion shipping interests agreed that the line should not be abandoned but competition with the American lines was only possible with government assistance. The Imperial Shipping Committee will expedite their report so that a final decision can be reached shortly by the governments concerned on the form and extent of the subsidy.

Fewer Shares Sold But Prices Higher

Nickel Led Toronto Stock Exchange June Transactions

Industrial stocks sold in June on the Toronto Stock Exchange reached 530,023 shares as compared with 586,502 shares in May. Values of transactions reached $15 millions.

Tabled below are the 10 most active stocks for the month with volume compared with May, and showing net price changes in the month:

Stock:	No. of Shares June	No. of Shares May	Market Change
Nickel	79,589	61,141	up 2⅝
B. A. Oil	44,148	32,828	up 2⅝
Imp. Oil	37,094	48,270	off ⅜
Ford	28,596	17,747	off 1¾
Brazil.	28,463	51,004	up ½
Pete.	22,885	36,144	off ½
C. P. R.	20,205	23,308	up ¼
Brew. & D.	17,505	11,950	up .05
C. I. Alco.	15,383	29,505	off ½
Pantepec	15,315	17,520	off ⅞

Assoc. Quality Canners Gives Up Quebec Business

From Our Own Correspondent

MONTREAL.—Associated Quality Canners (Quebec) Ltd, has ceased to do business. Assets of the company will be distributed July 11.

This company is a subsidiary of Associated Quality Canners, which at one time was controlled by Whittall Can Co.

July Dividend Payments Higher By $4.7 Millions

July dividend declarations of Canadian corporations total $23.4 millions, an increase of $4.7 millions over the same month of 1935. This brings the total for the year to $144 millions, compared with $120.7 millions for the first 7 months of 1935.

Bond interest payments on the other hand continue at a lower level than in 1935. Coupons payable in July total $44.4 millions. This compares with 46.8 millions in July, 1935.

Details of June interest and dividend payments follow.

Dividend Payments

	Rate $	Date	Amount $
Acadia Sugar, p.f	.07½q	1	22,500
Do., arrears	.07½	1	22,500
Acme Glove	‡.12½q	2	3,000
Do., pref.	1.62½q	2	11,177
Agnew Surpass, pfd.	1.75q	2	16,675
Alta. Pac. Cons. Oil	‡.02	15	47,065
Alta. Wood Pres, p.	1.75q	2	4,798
Amer. Cyanamid, A & B	.15	1	378,055
Assoc. Breweries, pfd.	1.75q	1	17,769
Avalon Tele., pfd.	.87½s	2	14,000
Bank of Canada	1.12s	2	112,500
Bk. of N. Scotia	3q	2	360,000
Biltmore Hats, c.	1s	15	20,000
Belding Corticelli	1q	2	7,495
Do., pref.	1.75q	2	15,142
Bell Telephone	1.50q	15	1,169,070
Bralorne Mines	.10	15	100,000
Do., extra	.05	15	50,000
Brazilian Tr., ord.	.30	15	2,108,356
Do., pref.	1.50q	2	5,901
B.C. Elec. & Gas, pfd.	1.50q	2	75,000
B.C. Elec. Rly., pfd.	2½%s	15	104,760
B.C. Power, A	.40q	15	400,000
B.C. Telephone, pfd.	1.50q	2	15,000
Brewing Corp., pfd.	.37½q	15	61,051
Brit. Amer. Oil	.20q	2	524,528
Brit. Mtge. Trust	4s	2	40,000
Brockville Trust	.62½q	2	6,250
Bruck Silk M.	†.10	15	12,500
Building Prod. A. & B.	.25q	2	30,211
Burt, F. N.	.50q	2	53,824
Do., pref.	1.75q	2	1,029
Burry Biscuit, pf.	1.50	1	9,000
Do.,	.75	1	3,000
Bulolo Gold	†1.40	2	1,316,000
Canada Bread, 1st pfd.	1.25	2	15,625
Do., arrears	.50	2	6,250
Canada Bud	.40	20	60,000
Canada Life	5q	2	50,000
Can. Nor. Power	.30q	25	120,000
Do., pref.	1.75q	15	96,250
Canada Packers	.75q	2	150,000
Can. Perm. Mtge.	2q	2	140,000
Canada Trust	5s	2	50,000
Can. Canners, 1st pfd.	1.50q	2	58,272
Can. Cottons	1q	*2	27,155
Do., pref.	1.50q	2	54,912
Can. Fairbanks, pfd.	1.50q	15	18,000
Can. Fire Ins.	2s	2	40,000
Can. For. Invest.	.40q	1	29,366
Do., pref.	2q	1	27,000
Can. Gen. Elec.	1.25q	1	236,056
Can. Indus., A. & B.	1q	31	679,661
Do., extra	.75	31	509,745
Do., pref.	1.75q	15	81,375
Can. Light & Pr.	.50s	15	16,624
Canadian Oil, pfd.	2q	1	40,000
Can. Westinghouse	.50q	1	273,000
Can. Wire Box, A	▲.37½	1	23,856
Cariboo Gold	.02½	2	33,332
Carnation, 1st pref.	1.25q	1	48,615
Celanese of Amer., pr. pf.	1.75q	1	200,931
Central Can. Loan	2q	2	50,000
Central Patricia	‡.04	2	100,000
Chartered Trust	1q	2	10,000
Cons. Bakeries	.20q	2	63,688
Cons. Smelters	.50	15	1,629,130
Consumers' Gas	2.50q	2	351,380
Cosmos Imp., pref.	1.25q	15	6,250
Crown Life	2½%q	2	5,742
Crown Trust	1.75q	2	17,500
Dome Mines	.50q	20	476,667
Do., extra	.50	20	476,667
Dominion Bank	2.50q	2	175,000
Dominion Coal, pf.	.38q	1	91,200
Dominion Fire	3s	2	9,000
Dom. Glass	1.25q	2	53,125
Do., pref.	1.75q	2	45,500
Dom. Textile	1.25q	2	337,500
Do., pref.	1.75q	15	33,960
East. Can. Savings	1.50q	2	11,250
East Steel, pfd.	1.75q	1	6,829
East. Theat., pfd.	3.50s	31	8,750
Eastern Trust	2q	2	20,000
Edm. C. Dairy, pfd.	1.62½q	1	12,636
Ensign Insur.	1.25s	2	7,500
Excelsior Life	1.20s	2	6,000
Fanny Farmer	.12½q	1	48,806
Fernie Brew.	.60	2	19,651
Ford of Can., A & B	.75	11	1,244,220
Freiman, A. J., pf.	1.50q	2	13,510
General Trust, pfd.	1.50q	2	16,500
Goderich Elevator	.25s	2	21,000
Goodyear Tire	.63q	2	162,073
Do., pref.	.62½q	2	75,000
Gt. Lakes Pr., pfd.	1.75q	15	13,125
Gt. West Life	5q	2	50,000
Greening Wire, p.	1.75q	1	11,375
Do., arrears	1.75	1	11,375
Grey & Bruce Tr.	2%s	2	10,894
Guar. of N. Amer.	1.50+2.50	15	24,368
Ham. Cotton, pref.	.50q	1	9,506
Hinde & Dauch	.12½q	2	37,491
Hollinger Gold	.05	14	246,000
Do., extra	.05	14	246,000
Huron & Erie Mtge.	1.25q	2	62,500
Intercol. Coal	2s	2	20,000
Do., pref.	4s	2	8,060
Inter. Milling, pf.	1.25q	15	56,250
Inter. Power, 1st pf.	1.50q	2	120,000
Inter. S. Rlty. A	.28q	1	20,718
Invest. Found., pf.	.38q	15	11,612
Do., arrears	.12	15	3,667
Island Mtn. Mines	‡.05	31	52,535
Jamaica Pub. Ser.	.37½q	2	16,875
Do., pref.	1.75q	2	18,777
Landed Bkg. & Loan	1.25q	2	12,500
Macassa Mines	.06	2	131,403
Mitchell, J. S., pfd.	1.75q	2	5,295
Monarch Knit, pf.	1.75q	2	13,125
Mtl. C. & D. Bank	3q	2	60,000
Do., bonus	1	2	20,000
Mtl. L. H. & Pr.	.38q	31	1,705,821
Montreal Telegraph	.80q	15	35,000
Montreal Trams	2.25q	15	157,500
Moore Corp.	.25q	2	69,060
Do., pref., A	1.75q	2	57,537
Do., pref., B	1.75q	2	29,359
Nat. Breweries	.50q	2	180,343
Do., pref.	.44q	2	48,840
Nat. Grocers, pref.	1.75q	1	51,681
National Life	.62½q	2	6,250
National Trust	2q	2	60,000
Niagara W. Weav.	.75	2	30,000
Do., pref.	.75q	2	13,500
North Star Oil, pf.	▲.08½	2	17,500
Ogilvie Flour, c.	2q	2	150,000
Ont. Loan & Deb.	1.50q	2	60,000
Ottawa L. H. & Pr.	1.50q	2	52,500
Do., pref.	1.62½q	2	24,375
Ottawa Traction	.50q	2	*28,038
Page Hersey	.75q	1	130,707
Perfect Circle, C.	.50	1	2,000
Pioneer Gold, B.C.	.20q	2	350,350
Porto Rico Pr., pf.	1.75q	2	17,500
Power Corp., pfd.	1.50q	15	75,000
Do., 2nd pfd.	.75q	15	75,000
Premier Gold	.03q	15	150,000
Do., extra	.01	15	50,000
Pressed Metals	.37½	1	42,370
Provincial Paper, pf.	1.75q	2	61,250
Real Estate Loan	1s	2	5,000
Reno Gold Mines	.03q	2	54,789
R. S. Mills, A	.50s	2	15,000
Securities Holding, pf.	†.50	2	9,203
Sheep Creek Gold	‡.02	15	37,500
Sherwin-Williams, p.	■1.75	2	60,550
Smith, H., Pap., pfd.	1.50	15	75,937
South. Amer. Gold	.10	29	176,000
Stand. Fuel, pref.	1.62½q	1	19,464
Do., com.	.50	1	5,989
Stand. Silver & L.	.01	25	20,000
Supersilk H., 1st pref.	1.75s	1	8,541
Supertest Pet., ord. & com.	.50s	2	58,000
Do., pref., B	.75s	2	6,000
Tamblyn, pref.	1.75q	2	5,285
Teck-Hughes	.10q	2	480,714
Do., bonus	.05	2	240,357
Tip Top Tailors, pf.	1.75q	2	22,450
Tor. Gen. Trusts	1q	2	30,000
Toronto Mortgage	1.50q	2	29,595
Tuckett Tob., pref.	1.75q	15	35,000
United Securities	.50q	15	25,630
Ventures	‡.02½	2	196,743
West Koot. Pr., pf.	1.75q	2	8,750
Western Grocers	.50q	15	8,471
Do., pref.	1.75q	15	20,899
Weston, Geo., c.	.20q	1	75,176
Wright-Hargreaves	.10q	1	550,000
Do., extra	.05	1	275,000
			23,406,231

q Quarterly. s Semi-annually. † Interim. ‡ Initial. ▲ On arrears. ■ For quarter ended Aug. 31, 1934.

BOND INTEREST DUE IN JULY

Company:	Rate	Date	Due	Amount
Aldred Invest., A	4½	2	1968	$ 38,126
Avalon Tele., A	5½	1	1948	19,717
Avon River Pr., A	5½	1	1956	17,847
Do., B	5½	1	1957	5,318
Do., C	5½	1	1958	2,684
Do., D	5	1	1964	18,750
Ames Holden Tire	7	1	1943	4,441
Asbestos Inc.	†6	1	1941	93,720
Burns, A	5	1	1958	83,960
Can. Canners	*6	2	1950	68,205
Can. Int. Paper	6	1	1949	664,815
Can. Light & Pr.	5	1	1949	71,640
Can. Nat. Rly., Gold	5	1	1969	1,500,000
Do.	4½	1	1957	1,462,500
Can. Nor. Alta.	3½	20	1960	55,122
Can. Nor. Rly.	6½	1	1946	787,735
Can. Nor. Ont.	3½	20	1961	599,022
Can. Nor. 1st mtge.	3½	20	1958	138,188
Do., Wpg. Term.	4	1	1939	60,000
Can. Pac. Rly.	4½	1	1960	562,500
Do., Eq. Trust	5	1	1944	607,850
Do., coll. trust	4	2	1949	240,000
Cedars Rapids	5	1	1953	335,460
Cities Heating	6	1	1948	4,230
City Gas & Elec.	6½	2	1951	9,327
Dom. Square	*6	15	1946	140,700
Dom. Rubber	5	1	1947	100,000
Dom. Tar, A & B	6	2	1949	143,490
Eastern Car	6	1	1952	17,190
Fraser, 1st mtge.	6	1	1950	318,315
Gr. Trunk Pac.	3	1	1962	524,880
Do., sterling	4	1	1962	168,816
Do., guar. stk.	4	1	Perp.	1,216,666
Gr. Trunk, deb. stk.	5	14	Perp.	519,560
Do., cons. deb. stk.	4	14	Perp.	1,198,390
Inter. City Bak., A	5½	1	1948	39,805
Inter. Power deb.	6	1	1955	60,030
Jam. Pub. Ser., C	4½	15	1965	45,990
Maritime Tele., ref. A	5	1	1956	37,500
Metropolitan Bldg.	7	15	1944	24,948
Do., gen. mtg. B	7	15	1941	13,335
Montreal Apts.	5½	1	1948	101,640
Montreal Trams	5	1	1941	533,775
Morrison Brass, A	7½	1	1947	3,768
Mtl., L. H. Pr. debs.	3	1	1939	402,352
Moodie, J. R., A	6	1	1948	17,790
Nfld. L. & Pr.	‡7	1	1949	16,240
Do., 1st. mtge.	5½	1	1971	21,765
North. Ont. Pr.	6	1	1953	15,450
Nan.-Dun. Util.	5½	2	1964	12,375
Nor. Am. Elev., A	6½	1	1950	13,747
Parisian Ldry.	6½	1	1947	8,440
Ont. Steel Prod.	‡6	1	1943	3,945
Ott. Traction, A	5½	1	1955	65,738
Reliance Grain, A	6	2	1948	49,917
Royal Ex. Bldg.	6	2	1948	10,371
Do.,	7	2	1938	3,500
Ruddy, E. L.	6½	1	1948	20,206
Quebec Pr., B	5	2	1972	8,700
Sherbrooke Rly.	5	1	1940	11,775
Do., 2nd mtge.	6	1	1940	15,000
Do., 1st mtge.	5	1	1927	2,500
Saguenay Elec.	5½	1	1953	33,660
Shaw. Falls Term.	5	1	1957	2,665
Simpsons Ltd., A	6	2	1949	258,234
Simpsons, B	5½	2	1949	29,971
Robt. Simpson	5%	1	1952	32,867
Steel of Canada	6	1	1940	104,409
Sterling Coal	6	1	1940	17,370
St. Law. Flour	‡6	1	1941	1,560
200 St. Clair	7	1	1945	4,560
Un. Gas & Fuel	5½	1	1948	45,705
Un. Grain, A	5	2	1948	71,625
Van. Pr., deb.	4½	2	Perp.	154,593
Viau Biscuit	6½	1	1946	10,348
West. Can. Hyd. El.	6	1	1950	30,000
Do., conv. debs.	6½	1	1945	14,625
Western Grain	6	2	1949	81,600
Western Power	5	1	1949	105,767
Corporation bonds				14,359,294
Municipal bonds				10,505,365
Provincial bonds				7,937,964
Dominion				11,653,537
Total				44,456,160

† Regular 3% plus 1% on arrears. Called for redemption, * July 2; ‡ July 1, 1936. * Payment due Apr. 1, 1934.

Investment Notes

Montreal Power's proposed plan for an exchange of securities with the holders of Beauharnois Light, Heat and Power Co. first mortgage bonds is looked at somewhat askance by the former's common stockholders. It is a good deal for Montreal Power in the long run, but over the next 2 or 3 years there will be a drag on the company's earnings in order to pay interest on the additional bonds. Montreal Power's stock consequently has shown signs of softness.

* * *

Eastern Dairies preferred stock sold down to 10 recently, which, considering that cumulative dividend arrears will amount to $24.50 a share on July 15, places a minus value on the security. At the end of last March there was a book equity back of the preferred amounting to $57.02 a share. The essential thing—earnings—has been lacking for some time.

* * *

Crescent Creamery's difficulties with some of the preferred shareholders are reported to have been ironed out. An understanding has been reached between the controlling interests and the shareholders. As a consequence greater representation will be given to Winnipeg shareholders on the board of directors.

* * *

Canadian International Paper Co.'s newsprint mills operated at 84 per cent of the rated capacity during 1935. Production totalled 672,738 tons compared with 659,566 tons in 1934. Since the turn of the year operations have been on a somewhat larger scale and with a better price for newsprint earnings of the company are running ahead of those reported for 1935.

* * *

Can. Wirebound Boxes—Average purchase price of 8,473 shares of class A stock redeemed in 1935-6 was just under $20 a share. The stock is now at $25 a share, and the redemptions have been good business for the company, also strengthening the position of the remaining shares outstanding.

* * *

C. P. R.—Gain of 26.8% in net earnings for May brings the increase for 5 months to 20.5%, or nearly $1 million. Tourist traffic is very heavy this year, grain volume still has possibilities of exceeding 1935 levels, and other income has promise of increase. Earnings on the common may not be very large but should show improvement on the basis of developments this year to date.

* * *

Winnipeg Electric—Reopening of second machine by Manitoba Paper Co. means improved revenue on top of gains in power output this year. Consequently Northwestern Power bonds, which are to be exchanged for $400 new A and $600 new B bonds, as well as class A shares and contingent certificates, have been tipped for a rise. They have been firm already, however, which may indicate that the improvement has been discounted.

* * *

B. A. Oil—There will be a strong incentive for the company to take U. S. earnings into its income account rather than have them burdened heavily by new American corporation taxes as undistributed surplus.

* * *

Harding Carpets—Although originally financed with 7% preferred shares, the company had never paid any dividend until declaration of 5 cents a share on the present common stock payable Aug. 1 1936. Earnings of 17 cents a share for the 6 months ended April 30, 1936, appear to be the best on record. As President A. E. Cuthbertson says, "the future outlook is promising unless disturbed by tariff changes."

* * *

Goderich Elevator—Dividends of 40 cents a share, including 15-cent extra, paid June 15 by Goderich Elevator, mark a sharp improvement in earnings. President G. L. Parsons suggests that while crop yields in the West may not be greater than last year there should be ample grain for a good export trade and to leave all elevators full at the close of lake navigation. However, there may not be the same scope for export movement next spring as there was this year.

Significant Investors' Index Numbers

1926 = 100

No. of Securities	Iron and steel 15	Pulp and paper 6	Milling 5	Oils 5	Textiles and clothing 11	Food and allied products 18	Beverages 9	Total industrials 89	Total utilities 23	Total co's. 112
1929-35:*										
High	368.9	113.4	273.4	423.5	113.5	197.8	205.4	317.6	166.0	232.6
Low	39.8	2.8	37.7	83.6	28.0	72.1	28.5	49.3	33.1	40.9
Monthly Figures, 1936:										
January	130.3	18.6	80.0	231.0	75.5	153.6	151.7	187.7	52.4	117.8
February	140.5	20.2	84.3	246.5	74.0	158.7	151.7	200.0	57.0	126.1
March	136.5	18.5	88.7	237.3	73.1	153.0	140.1	194.8	55.5	122.8
April	131.7	17.5	91.0	244.5	71.3	150.7	131.7	194.2	53.2	121.4
May	125.1	16.7	87.3	234.0	68.1	145.7	131.4	187.9	52.5	117.9
Weekly Figures, 1936:										
June 4	124.0	17.1	86.3	229.9	69.4	149.1	126.1	187.6	53.0	117.4
June 11	124.9	17.3	86.1	230.0	67.4	149.8	125.6	187.8	53.2	117.6
June 18	125.4	17.5	86.3	229.0	66.4	149.9	128.7	189.3	52.7	118.1
June 25	124.4	18.2	87.4	231.4	66.7	149.7	128.1	192.1	53.2	119.7
July 2	124.3	18.0	87.6	229.4	65.6	149.5	126.1	190.6	53.6	119.2

*High and low of years from 1929 to 1935 inclusive are based on weekly figures. Compiled from figures issued by Dominion Bureau of Statistics.

Toronto Stock Exchange Index

	20 Indus.	20 Golds	20 Misc. Mines
July 7	131.34	143.06	129.83
July 6	131.66	141.42	130.96
July 4	Holiday		
July 3	132.21	141.20	130.39
July 2	131.76	141.03	130.49
July 1	Holiday		
Month ago	130.45	143.49	128.59
Year ago	107.65	103.74	88.94
High, 1936	143.48	145.36	144.33
Low, 1936	125.71	115.97	125.39

Montreal Averages

	10 Util.	20 Indus.	30 Comb'd
July 7	69.1	72.6	71.5
July 6	69.6	72.5	71.5
July 4	Holiday		
July 3	69.7	72.0	71.2
July 2	70.0	72.1	71.4
July 1	Holiday		
Month ago	69.1	71.5	70.7
Year ago	58.8	57.7	58.0
High, 1936	73.4	78.4	76.6
Low, 1936	67.2	69.5	68.9

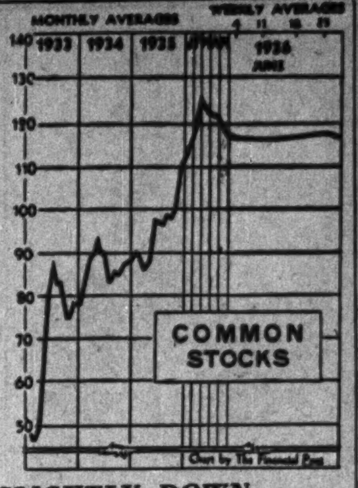
New Brunswick Power Is Now "Dead Issue"

From Our Own Correspondent

MONTREAL. — Negotiations between the City of Saint John and the New Brunswick Power Co. on the proposal that the former should acquire the latter's utility system, is reported now to be a "dead issue."

Several months ago the company notified the city that there was not room for 2 systems in the municipality and offered to sell out for $3¼ millions. In the event of failure to make a deal, the company proposed to make an offer for the civic system.

So far no formal offer has been made by the company for the city's property.



SLIGHTLY DOWN

Common stock prices declined slightly to 119.2 at the close of June as measured by the Dominion Bureau index. Inactivity and indeterminate fluctuations have marked early July trading.

Court Upholds Trust in C.P.S.

Can. Public Service Agreement Is Held Legal

From Our Own Correspondent

VANCOUVER.—Action to break a voting trust agreement involving over 50% of the outstanding common shares of Canadian Public Service Corp. has been dismissed by Mr. Justice Murphy in Supreme Court.

The action aroused wide interest in financial circles in British Columbia since it involved well-known companies and individuals.

Persons In Case

Action to break the voting trust was brought by A. Deyo Clelland, A. C. R. Yuill and Utility Securities Ltd., which company is owned by Clelland and members of his family.

Defendants were the 3 voting trustees, Stanley J. Burke of Pemberton & Son Vancouver Ltd., large investment firm; Laurence P. Smith, formerly of Pemberton & Son; Ward C. Pitfield of W. C. Pitfield & Co., Montreal investment firm. Corporate defendants were Canadian Public Service Corp., London & Western Trusts Co. as depository under the voting trust agreement, and Realty Corp. of Western Canada.

Canadian Public Service Corp. controls West-Canadian Hydro, Okanagan Telephone Co. and Inland Ice & Cold Storage Co. in the Okanagan Valley and Nanaimo-Duncan Utilities Ltd. on Vancouver Island.

Contentions and Findings

Contention of the plaintiffs was that the voting trust agreement entered into Nov. 8, 1934, and executed Jan. 11, 1935, was illegal.

The court held there was nothing illegal in the agreement; that there is nothing in the agreement to indicate that shares should be voted by the trustees in accordance with wishes of owners of the majority of shares deposited under the agreement; that nothing has been done in connection with the deposited shares which has resulted in damage to anyone.

Analysis of Judgment

The judgment is devoted in large part to analysis of the circumstances leading up to formation of the voting trust, and to dismissal of various allegations made against Messrs. Burke and Pitfield.

Apparently the voting trust was first suggested by Smith to Burke who requested Pitfield to act as one of the trustees. Shares of Pemberton & Son were deposited. Smith deposited his shares and induced Yuill to do the same to make up a total of more than 50% of the 100,000 shares of Canadian Public Service — C.P.S. — common stock outstanding.

Smith, Yuill and Pemberton & Son between them control the majority of C.P.S. common stock and could control its policies but for the voting trust which expires Nov. 1, 1939. Clelland is also a major shareholder and the Clelland-Smith-Yuill holdings at all times amounted to over 50,000 shares.

Views Differ

The judgment states that in the spring of 1934 when over $4 millions of C.P.S. securities had been distributed it was clear that full 6½% dividends on the preferred shares had been maintained only "by greatly straining C.P.S. resources." Smith was ousted from overseeing management and Yuill's retainer as consulting engineer was cancelled.

Smith, Clelland and Yuill felt that the changes were detrimental to the interest of C.P.S. Pemberton & Son took the opposite view and Smith apparently suggested the voting trust as a solution for differences of opinion on company policy that might arise. Should Burke and Smith disagree, the voting trust would bring Pitfield into the picture as a determinant. The judgment upholds Pitfield's actions throughout.

Dividend Policy

The judgment shows that Pitfield in 1934 was convinced that the 6½% preference dividend should be eliminated or greatly reduced in order to strengthen the C.P.S. finances. The rate was cut to 5% with the payment on Jan. 1, 1935.

Pitfield's suggestion was that the dividend due July 1, 1935, be eliminated entirely or at least cut to 3 or 3¼%. Pemberton & Son who had distributed most of the C.P.S. preferred did not welcome a further reduction. Neither did the Clelland-Smith-Yuill group. The final decision on the July 1 dividend was made in the absence of 3 directors, Messrs. Clark, Killam and Gyles, and payment was declared at the 5% rate.

On Oct. 3, 1935, after the Oct. 1. dividend was omitted entirely, Clelland issued the writ contesting the voting trust agreement.

Ste. Agathe Parish Bonds Sold to Anglo-Francais

From Our Own Correspondent

MONTREAL.—Credit Anglo-Francais Ltd. have purchased a small bond issue of the Municipality of the Parish of Ste. Agathe, amounting to $36,000. These bonds carry a coupon rate of 4% and mature between 1937 and 1961. The price paid was 98½.

Province of Nova Scotia

3¼% Twenty-Year Non-Callable Debentures
Due June 1st, 1956
Price: 99.50 and interest, to yield 3.28%

We shall be glad to furnish additional information regarding the Province upon request.

Nova Scotia is one of the oldest provinces of Canada. It is the most populous of the Maritime Provinces and its varied economic activities include manufacturing and mining in addition to agriculture.

Wood, Gundy & Company
Limited
36 King Street West
Toronto
TELEPHONE: ELGIN 4321
Toronto, Montreal, Winnipeg, London, Eng.
Ottawa, Hamilton, Vancouver, London, Ont.

Foreign Exchange

FOREIGN EXCHANGE AT TORONTO AND MONTREAL

	Par $	June 29	June 30	July 2	July 3	July 4	July 6
U. S. dollar, High	.5906	1.00⅛	1.00⅛	1.00⅛	1.00⅛	1.00⅛	1.00¼
Low	.5906	1.00¼	1.00¼	1.00⅛	1.00⅛	1.00⅛	1.00⅛
1935, High	.5906	1.00⅛	1.00⅛	1.00⅛	1.00⅝	1.00⅛	1.00⅛
Low	.5906	1.00⅛	1.00⅛	1.00⅛	1.00⅛	1.00⅛	1.00⅛
U. K. pound	4.8665	5.04⅛	5.03	5.03⅛	5.02⅞	5.03	5.02⅝
Argentina	.4246	.2757	.2743	.2709	.2694	.2694	.2703
Australia	4.8665	4.0249	4.0138	4.0183	4.0163	4.0148	....
Austria	.1407	.1889¾	.1890	.1892½	.1891½	.1891	.1890½
Belgium	.1392	.1695¾	.1695¾	.1695½	.1694½	.1697	.1693¾
Brazil	.1963	.0576½	.0571¾	.0571	.0570¾	.0571	.0570½
Czechoslovakia	.0296	.0417	.0417⅝	.0416¾	.0416¼	.0418	.0416¾
Denmark	.2680	.2251½	.2246¼	.2247¾	.2246¼	.2247	.2244½
France	.0392	.0665	.0665⅛	.0664¼	.0664	.0664¼	.0663¾
Germany	.2382	.4049	.4046½	.4045½	.4044	.4060	.4042½
Greece	.013	.0094¾	.0094¾	.0094¾	.0094¾	.0096	.0094¾
Holland	.4020	.6829	.6833	.6831	.6829½	.6834	.6825¾
Hong Kong	.5422	.3263	.3249	.3246	.3244	.3245	.3242
Hungary	.1749	.1995	.2000	.1998¾	.1997½	.1990	.1996¼
India	.3650	.3834½	.3831	.3831	.3825	.3820	.3824½
Japan	.4985	.2952½	.2953¼	.2945½	.2943¾	.2940	.3242
Jugoslavia	.1929	.0231	.0230½	.0230½	.0230½	.0232	.0230¾
New Zealand	4.8665	4.0655	4.0563	4.0588	4.0567	4.0552	....
Norway	.2680	.2600	.2529	.2529½	.2528¼	.2589	.2526¾
Poland	.1122	.1895	.1895	.1903	.1903	.1902	.1901
South Africa	4.8666	5.0161	5.0045	5.0077	5.0052	5.0033	....
Spain	.1929	.1378	.1378⅝	.1376½	.1375¾	.1380	.1375
Sweden	.2680	.2600	.2595	.2596	.2594¼	.2597	.2592½
Switzerland	.1930	.3283	.3285¼	.3282½	.3280	.3284	.3278

Dominion Square Plan in Abeyance

Committee Reports That Status of Company be Unchanged for Now

From Our Own Correspondent

MONTREAL.—Interests of first mortgage bondholders of Dominion Square Corp. can best be served by maintaining the present situation until a plan is found to enable bondholders to realize on their investment without creation of a prior lien, which would be necessary, should the committee be obliged to proceed by way of foreclosure, according to a letter sent out by the bondholders' protective committee covering operations in the year ended April 30, 1936.

It is the view of the committee that reorganization should be effected without the high cost of foreclosure proceedings and much time is being devoted to attempt to devise a plan under the Companies Creditors Arrangement Act and the Quebec Companies Act, which would be satisfactory to all concerned.

During the past year a plan was submitted by the directors of Dominion Square Corp., but the committee did not feel that it could recommend it to the bondholders. Again a plan prepared by the committee did not secure the concurrence of the holders of the general mortgage bonds and shareholders, whose approval is necessary to effect a reorganization.

Ultimately a plan will be devised which will be satisfactory to all concerned, the committee says.

Trusts & Guarantee Dividend Cut

Trusts & Guarantee Co., Toronto, paid $1 a share dividend July 2. This is a reduction from the former rate of $3 a share that has been paid for several years. Dividends are paid semi-annually.

Dividends Declared

	This payment	Date payable	Date of record
Anglo-Can. Tel. p.	87½c	Aug. 1	July 15
Alta. Pac. Oil	2c	July 15	June 15
Atlantic Sugar, pf.	$1.75	July 2	June 16
Belding Cort.	$1	Oct. 1	Sept 15
Do., pref.	$1.75	Oct. 1	Sept. 15
Biltmore Hats	$1	July 15	June 30
Bruck Silk	†10c	July 15	July 6
Beatty Bros., 1st pf.	$1.50	Aug. 1	July 15
Do., 2nd pf.	$3.50	July 2	......
B.C. Power, A	40c	July 15	June 30
Bell Telephone	$1.50	July 15	June 23
Brazilian Tr., ord.	30c	July 15	June 5
Bralorne Mines	10c	July 15	June 30
Do., extra	5c	July 15	June 30
B. C. Elec. Rly., pf.	2½%	July 15	July 4
B.C. 'Phone, 2nd p.	$1.50	Aug. 1	July 17
Brewing Corp., pf.	37½c	July 15	June 30
Buff. Ankerite	5c	Aug. 15	Aug. 1
Calgary Power, pf.	$1.50	Aug. 1	July 15
Canada Bud	40c	July 20	June 30
Can. Bronze	25c	Aug. 1	July 20
Do., pref.	$1.25	Aug. 1	July 20
Cosmos Imp. p. new	$1.25	July 15	......
Can. Gen. Invest.	10c	July 15	June 30
Can. Dredge	$1	Aug. 1	July 16
Can. Nor. Power	30c	July 25	June 30
Do., pref.	$1.75	July 15	June 30
Cons. Smelters	50c	July 15	June 30
Can. Fairbanks, pf.	$1.50	July 15	June 30
Can. Industries, A & B	$4	July 31	June 30
Do., extra	75c	July 31	June 30
Do., pref.	$1.75	July 15	June 30
Can. L. & Pr.	50c	July 15	June 26
Dome Mines	50c	July 20	June 30
Do., extra	50c	July 20	June 30
Dom. Textile, pref.	$1.75	July 15	June 30
East. Theat., pfd.	$3.50	July 31	June 30
1st All-Can. Tr. ord.	7½c	July 15	June 30
Ford of Can. A & B	75c	July 11	June 20
Gt. Lakes Pr., pfd.	$1.75	July 15	June 30
Guar. of N. Amer.	$1.50	July 15	June 30
Do., extra	$2.50	July 15	June 30
Guar. Trust of Can.	$2.50	July 15	June 30
Guelph & Ont. Inv.	$1.50	July 2	June 20
Guelph Trust	$1.25	July 2	June 20
Harding Carpets	†5c	Aug. 1	July 15
Hollinger Gold	5c	July 14	June 29
Do., extra	5c	July 14	June 29
Howey Gold	2c	Aug. 31	Aug. 8
Inter. Nickel, pfd.	$1.75	Aug. 1	July 2
Invest. Found. pf.	38c	July 15	June 30
Do., pref.	12c	July 15	June 30
Imperial Bank	$2.50	Aug. 1	June 30
Inter. Milling, pf.	$1.25	July 15	July 4
Inter. Utilities, pf.	$1.50	Aug. 1	July 20
Do., $3.50 pf.	75c	Aug. 1	July 20
Island Mtn. M.	‡5c	July 31	July 15
Mont. L. H. & P.	38c	July 31	June 30
Mont. Telegraph	80c	July 15	June 30
Montreal Trams	$2.25	July 15	July 4
Nat. Biscuit, com.	40c	July 15	June 17
Do.,	40c	Oct. 15	Sept. 11
Do., pref.	$1.75	Aug. 31	Aug 14
Penmans	75c	Aug. 15	Aug. 5
Do., pref.	$1.50	Aug. 1	July 21
Power Corp., pfd.	$1.50	July 15	June 30
Do., 2nd pfd.	75c	July 15	June 30
Premier Gold	3c	July 15	June 12
Do., extra	1c	July 15	June 12
Steel of Can.	43¾c	Aug. 1	July 7
Do., pref.	43¾c	Aug. 1	July 7
South. Amer. Gold	10c	July 29	July 15
Sheep Creek Gold.	‡2c	July 15	June 30
South. Can. Pr. c.	20c	Aug. 15	July 31
South. Can. Pr., pf.	$1.50	July 15	June 20
Smith, H. Pap., pf.	$1.50	July 15	June 30
Toronto Elev., pf.	$1.75	July 15	July 3
Trusts & Guar.	$1	July 2	June 20
Toburn Gold	3c	Aug. 31	July 21
Tuckett Tob., pfd.	$1.75	July 15	June 30
United Secs.	50c	July 15	June 28
West Grocers	50c	July 15	June 20
Do., pref.	$1.75	July 15	June 20
Weston, Geo., pfd.	$1.25	Aug. 1	July 20
Ymir Yankee	3c	Aug. 1	July 10

‡Interim. †Initial.

CANADIAN
FUND

Prospectus and annual report of Canadian Investment Fund, Ltd., obtainable from your own investment dealer.

CALVIN BULLOCK, LTD.

BASS FISHING of the Best
WITH GOLF ON THE SIDE

Do you like bass fishing from a canoe afloat on a big, powerful isle-dotted river of channels . . . rapids and falls . . . and deep, still, dark reaches? Would you like to play golf in that northern pine-scented air? Then *come to*

FRENCH RIVER
CHALET-BUNGALOW CAMP
7 Days—All Expenses
From
Toronto and Return $50
(Additional week at Camp—$35)

Proportionately low rates from other points.

Bass—Small Mouth . . . Large Mouth —plenty of them. Muscalunge, too, in the right spots—thirty-five pounders, sometimes . . . Pickerel . . . Great Northern Pike.

And a real golf course with 9 sporty holes, well-kept greens.

Private bungalows, central dining room and club house.

Modern log cabin camp also at Pine Rapids, 25 miles up-stream, in centre of some of the best bass fishing waters in Ontario.

Week-End All-Expense trips from Toronto—$23.40.

Ask our local agent for full information.

travel CANADIAN PACIFIC

BRITISH EMPIRE TRUST

IMPROVING POSITION IN CANADA.

The Thirty-fifth Ordinary General Meeting of the shareholders of The British Empire Trust Company, Limited, was held recently in London.

Mr. J. Davidson (chairman and managing director) presided.

The Chairman said in part:

As the shareholders are aware, your company for many years devoted its energies and capital almost entirely to the study of, and investment in, Canadian securities. As I explained at the meeting in 1932, largely as the result of world events about that time, our policy in this respect changed and the major portion of your capital was transferred from Canadian to British investments. The policy then adopted proved profitable and has not been changed; at the same time we continue to maintain the closest touch with the Dominion of Canada because we believe that if certain difficulties which now exist there are wisely and firmly handled, Canada will once again come to the front as a most satisfactory field for the investment of money.

At the present time there is every evidence of improving economic conditions in Canada. I will give you a few figures only, out of the many available, to indicate the character and extent of the improvement.

Exports from Canada for the fiscal year to March 31, 1936, amounted to over $765,000,000 as against $659,000,000 the previous year, representing an increase of approximately $106,000,000. Gross earnings of Canadian Railways for the year ended December 31, 1935, were over $306,000,000, which is an increase of approximately $9,000,000 over the previous year. Comparing the year 1935 with that of 1934 I find that the value of Building Permits increased by 70 per cent., production of steel by 23 per cent., output of electricity by 10 per cent., while newsprint production also showed a slight increase.

The value of mineral production for the year 1935 was $308,000,000, an increase of $30,000,000 or 10 per cent. as compared with the year 1934. Gold, copper and nickel production increased and the production of these minerals constituted further new records. Gold production had a value of nearly $116,000,000 as against $102,500,000 for the year 1934, an increase of nearly 13 per cent. The output of copper was 418,000,000 lb. and nickel 139,000,000 lb., representing increases over the year 1934 of 14 per cent. and 8 per cent. respectively. The output of coal was well maintained.

The Vancouver Proposal

Such encouraging indications of returning prosperity would ere now, especially in view of the low interest rates obtainable in Great Britain, have led to a large demand in this country for Canadian investments giving a higher return than is obtainable here, but this demand, which was coming strongly into evidence 18 months ago, has been retarded by a series of unfortunate events. One of these events to which I referred last year was a proposal by the City of Vancouver in January, 1935, to reduce the interest payments on its bonds and debentures by one half. This proposal, which was neither reasonable nor just, was rejected by the bondholders and disallowed by the Government of British Columbia. In the light of the improving conditions and comparative prosperity of Vancouver during 1935, any such proposal now would be even more unreasonable and unjust than it was in 1935, and if repeated will again meet with firm and complete rejection.

Vancouver is the third largest city in Canada and the most important commercial metropolis in the Province of British Columbia. Advices received indicate considerable economic improvement in conditions throughout the Province. For the year 1935 the export of lumber was 2,649 million feet as compared with 2,214 million feet the previous year. The fishing industry exported 3,500,000 cwt. in 1935 as against 3,400,000 cwt. in 1934. The value of minerals exported was in 1935 $47,800,000 as compared with $42,300,000 the previous year.

The improved conditions have been reflected in the general conditions in Vancouver. The port of Vancouver, which in 1933 was used by 10,750,000 tons of shipping, was, in 1935, used by 11,212,292 tons.

I am glad to say that recent advices indicate hope that proposals of the kind I have referred to will be abandoned and if they are, I am sure it will not be long before the credit of the City of Vancouver is restored to the high level which it previously occupied.

Canadian Government's Offer of Assistance

Another unfortunate and more recent event is that the Province of Alberta, owing to prolonged adverse conditions, has professed embarrassment in meeting its existing obligations in full. It is to the credit of the Dominion of Canada that the Government of the Dominion has expressed its willingness to give assistance subject to the establishment of a Loan Council who will have a voice in the future financial plans of the Province. Investors here cannot but applaud such reasonable proposals by the Government of Canada for the maintenance of the credit of an important component part of the great Dominion and will hope, as I do, that no feelings of financial independence will prevent the Province from accepting such assistance in its own interests and the interests of the parties who have granted it in the past such generous credit. To refuse assistance because it justly and properly involves reference of future financial plans to a Loan Council seems to me unwise and unreasonable, and to serve no useful purpose.

The possession of complete financial independence on the part of an embarrassed Province is useless if its independent credit can no longer avail it either for the purpose of meeting its existing obligations or for future refunding or borrowing. Investors here await with much interest the result of the efforts of the Dominion to settle this difficulty, which, if satisfactorily solved, will completely re-establish the credit of the Province.

Bond Markets

Advance Continues In Newsprint Bonds

Usual Holiday Dullness Pervades Government List—Treasury Bill Sale Sets New Record

The usual dullness which pervades the bond market in the summer, and more especially in the days immediately preceding and following a public holiday, has been removed in part by the continued sharp advance in prices of newsprint bonds.

Prices of corporation bonds generally have been strong and high-grade government issues firm.

While trading over the entire government list has been quiet, the western provincials have been particularly inactive. Gains, however, have been recorded by Manitoba, Saskatchewan and British Columbia issues.

Practically no trading is being done in Alberta issues since investors are disinclined to jettison their holdings at present prices.

Manitoba has placed a limit of 3½% interest on future bond issues, according to a statement by Hon. E. A. McPherson, provincial treasurer, in an election speech.

The cost of short-term money continues to decline. In selling $25 millions of 3-month treasury bills on July 2 at an average net cost of 0.798%, the Dominion government set a new record for this type of financing in Canada.

The Dominion 3¼% bonds, due 1956-66, issued in connection with the recent refunding loan, have advanced to 100.15, compared with the offering price of 99.

Unless crop conditions in the West improve it is possible that the financial situation of the prairie provinces will become even more severe.

Newsprint Bonds

DEFAULTED newsprint bonds continue to attract considerable attention from both investors and speculators. While the newsprint situation is encouraging it would appear that in some instances at least the market is discounting the future for a considerable period. In part, of course, the recent rise has been due to speculative interest.

The price trend of some newsprint bonds during the past month is indicated below:

	June 2	June 16	June 29	July 7
Abitibi 5's	43½	46	49	55
Cons. Paper 5½'s ...	34½	41½	48½	49
Donnacona 5½'s ...	71	74	80½	84½
Great Lakes 6's	49	53	53	54
Lake St. John 6½'s .	96½	104	110	112
Lake St. John 6's ..	53	65	75½	..
M. & O. Paper 6's .	30	33½	38½	44

* * *

Corporation Bond Index

PRICES of corporation bonds have been buoyant as is indicated by The Financial Post index which is given below:

The Financial Post Index of Prices of Corporation Bonds

1936	Price $	1935	Price $
June 1	102.19	June 1	97.44
June 8	102.31	June 8	97.39
June 15	102.28	June 15	97.28
June 22	102.56	June 22	96.99
June 29	102.68	June 29	97.44
July 6	102.59	July 6	97.50

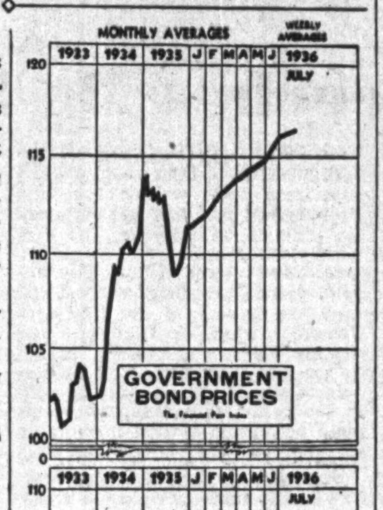
* * *

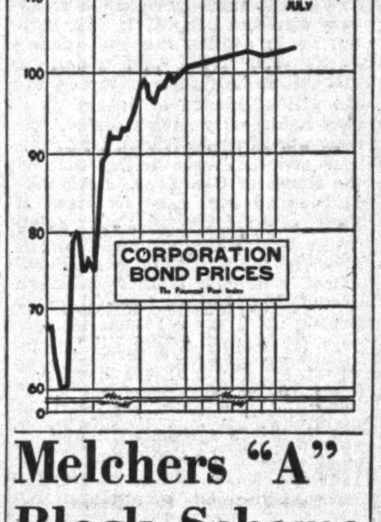
Government Bonds

THE trend of the market for high grade government bonds is indicated below. Prices have been steady, with fractional changes in a few issues.

The Financial Post Average Price and Yield For High-Grade Government Bonds

1936	Price $	Yield %	1935	Price $	Yield %
July 7	116.67	3.093	July 6	112.87	3.522
July 6	116.42	3.116	July 5	112.71	3.532
July 4	116.38	3.123	July 4	112.83	3.521
July 3	116.42	3.120	July 3	112.76	3.531
July 2	116.42	3.120	July 2	112.72	3.536
Year's	116.63	3.096	Year's	114.97	3.367
Range	111.50	3.597	Range	106.57	4.097





Silverwood's Offers Bonds

$960,000 of 5's to be Sold at 100 to Fund Debentures

The public offering of $1.2 million of 5% first mortgage bonds of Silverwood Dairies Ltd. is receiving a good reception, The Financial Post is informed. The bonds are being offered by a syndicate composed of Harrison & Co.; R. A. Daly & Co.; and Griffis, Fairclough & Norsworthy.

Offering of the bonds is the final step in the reorganization of the company approved by shareholders in February whereby the company and 24 subsidiaries were consolidated into one operating unit.

The bonds mature serially from 1937 to 1951. Of the total issue of $1.2 million, an amount of $240,000 maturing in 1937 to 1940 inclusive is to be held in escrow by the trustee pending the maturity of $223,275 non-callable bonds and mortgages. The additional $300,000 which has been authorized but is not to be issued at this time.

Subscription Rights

As the greater part of the issue is for the purpose of retiring existing securities, prior subscription rights have been granted to holders of these securities.

Official notice has been given by the company that its 6% collateral trust debentures, due May 15, 1942, will be reduced Sept. 1, 1936, at 103 and accrued interest.

Silverwood's Dairies Ltd.
$1,200,000

First mortgage bonds, dated Jan. 2, 1936; due serially Jan. 2, 1937 to 1951.

Redeemable—On 60 days notice at 104 up to Jan. 2, 1941; at 103 to Jan. 2, 1946; thereafter at 102. In whole or part at the company's option at any time prior to maturity.

Capitalization:	Author.	Issued
1st mtge. bonds	$1,500,000	$1,200,000
6% Reg. s.f. debs.....	1,450,000	1,450,000
Preferred shs.	145,000 shs.	145,000 shs.
Com. stk., n.p.v...	1,000,000 shs.	176,623 shs.

Company—Engaged in retail and wholesale distribution of milk, cream, eggs and poultry, and other dairy specialties in 19 communities in Ontario.

Earnings—After giving effect to (1) interest savings resulting from present financing, including interest paid on securities now being retired; (2) depreciation on basis of rates used in 3 years ended March 31, 1936; and (3) adding back to earnings of the 3 years ended April 1, 1933, organization expenses written off in such years: auditors report that for the last 6 years average annual earnings after taxes have been over 3½ times maximum annual interest charges on 1st mortgage obligations and 1½ times present annual interest requirements on 1st mortgage and debenture obligations.

Assets—Total tangible assets after deduction of depreciation reserve of $2.2 millions are shown at $3.6 millions.

Security—A first specific mortgage and charge upon all fixed property and plants and a floating charge on all other assets.

Purpose of Issue—Proceeds to be used to retire mortgages of $62,630, bonds and debentures totalling $528,950, bank and other loans and for other corporate purposes.

Offering—By a syndicate composed of Harrison & Co. Ltd.; Griffis, Fairclough & Norsworthy Ltd., and R. A. Daly & Co. Ltd. at 100 and accrued interest to yield 5%.

Melchers "A" Block Scheme

Plan Sponsored by Directors Fails to Please Senior Stockholders

From Our Own Correspondent

MONTREAL.—Plan of reorganization for Melchers Distillers Ltd., sponsored by the board, was voted down by the holders of Class A stock. Scrutineers reported that 58,972 shares of A stock were voted against the plan, compared with 21,508 shares for, while the B stock 27,795 shares were voted for and 1,900 against the plan.

For the plan to carry it was necessary for it to get the favorable vote of 75% of the A and B shares represented at the meeting in person or by proxy, voting separately.

The plan proposed payment of $4 in cash to holders of the senior stock to clean up dividend arrears, now amounting to $10.50 a share, and involved a change in dividend provisions from $2 cumulative to 75 cents cumulative and $1.25 non-cumulative, effective January 1, 1937.

Spokesmen for the A stock suggested that in addition to the $4 cash the company should issue $6 in 4% funding certificates and that the A stock should carry 50 cents cumulative and 50 cents non-cumulative dividends, and also that the voting rights should be retained.

The next step is for representatives of divergent views to hold conferences among themselves and with the directors with the object of arriving at another plan.

Killarney Apts. Shows Slight Improvement

In a report to bondholders of Killarney Apts., Windsor, London & Western Trusts Co., receiver and manager, shows gross revenue for 1935 at $2,749, compared with $2,191 for 1934. The building was practically 100% occupied in 1935, and further increases in rents may be possible.

After adjusting taxes and insurance on an annual basis, but before providing management or legal expenses, net revenue amounted to $905. This is a decided improvement over recent years, but until tax arrears are paid, there is no money available for payment to bondholders. At the end of 1935, tax arrears amounted to $1,493.

Manitoba Paper Opens 2nd Unit Temporarily

Reports from Winnipeg indicate that a second unit of Manitoba Paper Mills has been started. This amounts to full operation but it is not expected that operation at capacity will be of long duration.

Bond Tenders

5 p.m., July 9, Port Arthur—$12,000, 4% serial debentures, redeemable from July 2, 1937, to 1951. Arthur H. Evans, city treas.

5 p.m., July 23, Port Arthur—$34,000, 4½% sinking fund debentures, dated Dec. 1, 1935, due Dec. 1, 1955; coupon dated June 1, 1936 has been cancelled.

5 p.m., July 15, Village of Saint-Pierre-aux-Liens—$20,000, 4%, dated June 1, 1936, redeemable serially from June 1, 1937, to June 1, 1956. Fernand Leger, sec.-treas.

4 p.m., July 20, Sherbrooke—$875,000, 2½, 3 and 3½% bonds dated June 1, 1936, due 1937 to 1961. Art. Deslauriers, city clerk.

Metropolitan Commission Reports Surplus For 1935

In a summary of operations in the year ended Dec. 31, 1935, the Montreal Metropolitan Commission reports that 11 municipalities under its jurisdiction had a surplus of revenue collections over expenditures of $674,121. Collections totalled $8,114,660 against expenditures of $7,440,539.

Each municipality under the commission was able to report a budget surplus, the aggregate excess amounting to $178,955. Of this, the city of Westmount contributed $113,255, while amounts for the other 10 towns ranged down to $45 for Saint Laurent.

Current assets of the 11 municipalities exceed current liabilities by $1.2 million, while net general debt amounts to $20.6 millions, a reduction of $187,475 from the previous year. Net general debt amounts to 9.18% of the valuation of assessable properties, which amounts to $224.4 millions.

Lang Leather Stock Offered

59,500 Shares on Market at $12 Each — Well Received

Public offering of 59,500 common shares of John A. Lang & Sons Ltd., Kitchener leather manufacturers, is being made by McLeod, Young, Weir & Co. Ltd. and Greenshields Co. Inc. About two-thirds of the offering has already been sold and it is expected that the entire amount will be taken up shortly.

The shares offered do not represent new financing by John A. Lang & Sons Ltd. but have been purchased from individual shareholders of the company.

The offering price of the shares is $12 each and it is proposed to place the stock on a dividend basis of 70 cents a share annually. This gives a yield of 5.8%. The common share equity as shown by the balance as at Dec. 31, 1935, is slightly over $6 a share.

John A. Lang & Sons Ltd.
59,500 Common Shares

Company—Organized 1924; manufactures leather for gloves and other leather garments used principally in industry, mining and farming.

Head Office and Plant—Kitchener, Ont.

Earnings—Net profit after all expenses, depreciation and income taxes during the past 10 years has averaged $92,108 or 92 cents a share on the outstanding share capital. Earnings in 1935 amounted to $1.20 a share.

Capitalization—	Author.	Issued
Com. stock, n.p.v.	100,000 shs.	100,000 shs.

Funded Debt—None.

Assets—Total assets at Dec. 31 last are shown at $642,451 and net tangible assets at $601,210. Working capital amounts to $452,405.

Subsidiary—In the latter part of 1935 the company established a wholly-owned subsidiary in Buffalo, N.Y., Frontier Tanners Inc. No substantial investment will be made in this company until operations have been established on a sufficiently profitable basis.

Dividends—It is proposed that the capital stock be placed on a regular quarterly dividend basis beginning with a payment of 17½ cents a share on Oct. 1, 1936.

Management—Has been in the hands of Joseph H. Lang, who is president of the company. Associated with him has been August Lang as vice-president. The management remains unchanged.

Offering—By McLeod, Young, Weir & Co. and Greenshields & Co. Inc. at $12 a share.

Power Corp. Group Has Larger Output

From Our Own Correspondent

MONTREAL. — Power Corp. of Canada's controlled or associated companies report a power output in May of 185.1 million kw.h., as compared with 159.2 million kw.h. for the same month last year.

Of the 8 companies included in this group, 7 reported gains.

Output figures for May, 1936, and last year follow:

May:	1936 kw.h.	1935 kw.h.
Southern Canada ..	24,448,410	19,999,550
Canada Northern..	49,431,320	47,964,350
East Kootenay	6,986,548	6,826,860
B. C. Power	41,113,797	36,542,290
Northern B. C.	863,592	874,500
Winnipeg Electric..	19,169,700	19,041,700
Manitoba Power ..	42,973,000	27,838,000
Northwestern Power	167,800	95,200
	185,154,167	159,182,450

Public Utility Earnings

Mexican Light & Power

May	1936 $	1935 $	Increase $
Gross earns.	659,766	649,138	10,628
Oper. exps.	464,601	461,381	3,220
Net earns.	195,165	187,757	7,408
Five Months Ended May 31:	**1936 $**	**1935 $**	**Increase $**
Gross earns.	3,330,145	3,152,232	197,913
Oper. exps.	2,292,405	2,246,665	45,740
Net earns.	1,037,740	905,567	152,173

Bond Redemptions

Bond Issues:	Rate	Year	Date	Price
Dom. Canners ..	6%	1940	Oct. 1	110
Continental Pap	6½%	1943	Aug. 1	102½
European Elec.	6½%	1965	Aug. 1	105
Dom. T'lgraph	†5½%	1978	Aug. 2	100
Silverwood's A ..	6%	1942	Sept. 1	103
B. A. Oil	‡4%	1945	Sept. 1	102½
Toronto Carpet.	*6%	1944	Sept. 1	103

†$2,900 for sinking fund; ‡$222,000; *$33,000.

Stock Issues:	Rate	Stock	Date	Price
Brant Cordage	8%	Pref.	July 15	$30

Religious Issues

Notre D. Hospital, Montreal, 5½%, Oct. 1, 102.

Classified Advertisements

Classified ads cost 4c. per word and figure for each insertion. Minimum ad, $1.75. Three insertions for the price of two. Add five words when box number is required. Classified ads payable in advance.

Position Wanted

YOUNG man with fifteen years experience with large textile organization doing nation-wide business, part of time spent on road, remainder on Sales Executive work. Entire period spent in close touch with manufacturing. Desirous of making change within next six months. Box 355, The Financial Post, Toronto, Can.

Winnipeg Investors

Monthly Cash Dividends, regularly paid all investors, from profits derived from—Mass Merchandising of Essential Foods—by fully investor controlled trading Company, now organizing, low capitalization, no promotion stock, safe, profitable, only limited capital required, and experienced business men especially desired. Full particulars to bona fide investors. 177 Niagara Street, Telephone No. 402810, Winnipeg, Manitoba.

Vancouver Bondholders' Meeting Off

City is Informed That Interest Cut to 3% Not Acceptable

3 PLANS PRESENTED

From Our Own Correspondent

VANCOUVER. — None of the 3 schemes of the city council for refunding of Vancouver's municipal debt on a general 3% basis is acceptable to the bondholders, and for that reason the proposed conference with bondholders originally scheduled by Mayor G. G. McGeer for July 6 has been indefinitely postponed.

The city was advised of the bondholders' attitude by Jules Fortin of the Dominion Mortgage & Investment Association when he discussed the various council proposals with Ald. G. C. Miller, chairman of the finance committee, at Winnipeg.

Members of the council believe the bondholders may be willing to make some concessions on interest, but Mr. Fortin will be unable to obtain the detailed views of his principals until late this month.

Maintain Saving Would Result

The present average rate of interest on the city's borrowings is 4.62%. About $74 millions in civic debt is involved. Since there appears to be no hope for a general refunding at 3%, there remain only the proposals providing for a 5-year reduction in interest rates.

Any suggestion of compromise is, of course, opposed by Mayor McGeer who, although not expecting the bondholders to agree to his terms, wishes to be in the position of being able to tell the legislature at its next session that financial relief must be obtained because of the bondholders' refusal to cooperate.

Montreal Debenture Corp. Reorganization Proceeds

A meeting of bondholders of Montreal Debenture Corp. is to be called in the near future to consider a plan of reorganization, which has been necessitated by the difficulties faced by the company. These difficulties, according to a letter to bondholders, were brought about mainly by recently imposed government taxes.

In order to facilitate the reorganization, Interprovincial Debenture Holdings Ltd. has been organized with a capitalization of 17,900 common shares. Under the proposed plan one share of Interprovincial Debenture Holdings Ltd. is to be issued for each $100 bond of Montreal Debenture Corp. The shareholders of this company will then be in a position to act as a consolidated "group" in carrying out the proposed reorganization of Montreal Debenture Corp. The 5 "voting trustees" appointed by bondholders of Montreal Debenture Corp. and who have acted for bondholders for several years, will act as directors of Interprovincial Debenture Holdings.

Bondholders are being invited to send in their holdings for exchange.

Stipulations Made By Calgary's Bank

Sinking Fund Trustees Asked to Co-operate in Aiding City

In agreeing to extend Calgary's line of credit in order to prevent default on its obligations June 30, The Bank of Montreal laid down the following stipulations:

(1) The city must practise every economy and levy to meet its legal obligations.

(2) Sinking fund trustees must enter into an unconditional contract to take up this year $125,000 of relief bonds to provide for repayment this year of the 1934 bank loan.

(3) Sinking fund trustees must undertake to pay to the city for application on the city's 1936 revenue loan, the fund's surplus earnings for 1936.

(4) The city council must by resolution go on record as favoring the inclusion in the 1938 levies of any unpaid balances on 1936 revenue account carried over into 1938.

Upon approval of these stipulations the bank granted additional credits of $186,000 for June and $410,000 for interest due June 15, June 30 and July 1.

Provided that advances on 1936 revenue account had been reduced to $350,000 by July 8, the bank agreed to entertain monthly applications for additional advances in anticipation of tax collections to assist in meeting current expenditures provided for in the revised budget.

The bank has agreed to carry over into 1937, if necessary, advances on revenue account not exceeding a total of $450,000. The bank states definitely that it is not prepared to lend assistance to any expenses not included in the city's revised budget.

Rigid Insulating Board Sales Far Ahead of 1935

From Our Own Correspondent

MONTREAL.—Volume of rigid insulating board business handled by International Fibreboard Co., Building Products and Alex. Murray & Co., continues to show substantial increase over a year ago. During May shipments amounted to over 4.2 million square ft., as against 2.7 million square ft. in May, 1935.

Cumulative returns for the first 5 months of 1936 showed total shipments of nearly 13.7 million square ft. This is in contrast to 9.1 million square ft. for the corresponding period of 1935.

Will your estate be settled by a trained executor
or by an amateur?

THE administration of estates is a specialized business. Trust Companies are specialists. They are permanent and are never away nor ill when needed. They are financially responsible and possess the clerical facilities and organization necessary for the economical handling of the work.

On the other hand, there are few individuals capable of fulfilling the task, and it is true that an inexperienced executor may cost an estate large sums by reason of errors in judgment, delays and losses.

The Royal Trust Company has settled a great number of estates, many of them large and complicated. Such experience ought to be valuable to you and to your heirs.

Write for booklets on this subject.

THE ROYAL TRUST Co
EXECUTORS TRUSTEES

PRESIDENT
Sir Charles Gordon, G.B.E.
VICE-PRESIDENT
Huntly R. Drummond
GENERAL MANAGER
R. P. Jellett

HEAD OFFICE AND MONTREAL BRANCH
105 St. James Street
TORONTO BRANCH
59 Yonge Street

Branches throughout Canada, in Newfoundland and in London, England

Agency: CHARLOTTETOWN, P.E.I.

ASSETS UNDER ADMINISTRATION EXCEED $767,000,000

Weekly Record of Financing in Canada

SALES BY MUNICIPALITIES, PROVINCIAL AND DOMINION GOVERNMENTS

Municipal—	Date Sold	Sold to	Rate	Due	Amount	Price	Yield
Ste. Agathe, Parish of	July	Credit Anglo-Français	4%	1937-61	$36,000	96½	.....
Dominion—							
Canada Treasury Bills	July	....	...	Oct. '36	25,000,000	99.80	.798%

OFFERINGS OF CORPORATIONS AND FOREIGN SECURITIES

Bond Issues—	Date Issued	Offered by	Rate	Due	Amount	Price	Yield
Silverwood Dairies	July	Harrison & Co., Griffis, Fairclough & Norsworthy, R. A. Daly & Co.	5%	1937-51	$1,200,000	100	5%
Stock Issues—							
Numaque Mining Co.	July	W. C. Pitfield & Co.	...	....	....	60c	...
John A. Lang & Sons	July	McLeod, Young, Weir & Co., Greenshields & Co.	...	......	59,500 shs.	$12	...

What Did the First Six Months of 1936 Mean to Your Pocketbook?

Will the second half of the year prove more profitable than the first?

You hope so, of course . . . but what steps are you taking now to *make sure* that the earnings of your company will improve?

If your books show a net profit of 5% for the first period, you must make 15% during the last to net 10% for the year. If you just "broke even," then your net earnings for the next six months must be 20%.

If your company lost money, what explanation will you give the stockholders? Will you put the blame on "cut throat" price competition or a sales volume which did not come up to expectation?

Managements of companies which refuse to be "licked" will not have to offer alibis to the owners. They are starting right now to insure a satisfactory profit for 1936.

Through May Management Controls of finances, production, purchases, sales and other activities, hundreds of leading manufacturers throughout the United States and Canada have consistently increased their earnings. 163 of them have profited through the use of May Service during the past six months and will show a substantial gain for the year.

Why not apply the vast experience of May Engineers to your own problems? An analysis of your business might uncover profit leaks which you do not know exist. Write our nearest office now and take the first step toward a satisfactory profit showing for 1936.

GEORGE S. MAY, Limited
18 Toronto Street, Toronto, Ontario

Chicago: 2600 North Shore Ave. New York: 122 East 42nd St.
Seattle: 747 Dexter Horton Bldg. Atlanta: 134 Peachtree St.

The Financial Post

Member Audit Bureau of Circulations

A weekly newspaper, presenting in a popular manner, reliable information respecting investments, business and national affairs in Canada.

The Financial Post Has the Largest Paid Circulation of Any Canadian Financial Paper

Editor—Floyd S. Chalmers
Business Manager—D. M. Gowdy

The Financial Post Business Year Book, Yearly, $2.
The Financial Post Survey of Corporate Securities, Yearly, $2.
The Financial Post Survey of Mines, Yearly, $2.
The Financial Post Record of Prospectuses, Half Yearly, $7 per volume.
The Financial Post Corporation Service, $20 monthly. Special prices for individually selected investor's service.
Directory of Canadian Directors and Officials, Yearly, $10.

Published by
THE MACLEAN PUBLISHING CO., LIMITED
481 University Ave., Toronto 2.
Founder and Chairman — John Bayne Maclean
President — Horace T. Hunter
Vice-President and General Manager—
H. Victor Tyrrell

ADVERTISING RATES
Single insertion—$3.64 per inch.
Debenture and Dividend Notices—26c. per agate line.
Contract rates upon request.
SUBSCRIPTION PRICE
Canada, United States, Mexico, British Empire, $5 per year, all other countries, $6.

MONTREAL—Dominion Square Bldg., Murray R. Chipman, Eastern Manager; John E. Langdon, Eastern Editor.
GREAT BRITAIN, London, Resident representative: J. K. Ross-Duggan, Sun of Canada Bldg., 2, 3 and 4 Cockspur St., London, S.W.1. Telegraphic Address, Atabek, Lesquare, London.

TORONTO, JULY 11, 1936

The Ungrateful State

NOT all of the unemployed are on relief. A great many people have exercised ingenuity and self-reliance in keeping off the dole. For instance, the musicians of Toronto. Closing down of theatre orchestras coincided with the onset of the depression and left the musicians with few opportunities for employment. They banded together to form a summer orchestra. Under the direction of Reginald Stewart, one of the foremost Canadian conductors, they have given weekly "promenade" concerts in one of the city's arenas. A feature of the concerts has been the low admission charges, making it possible for people who ordinarily never hear a fine symphony orchestra "in the flesh" to enjoy the programmes.

The proceeds, after expenses, are divided among the musicians, who draw no fixed salaries since they are working for themselves. Although 100,000 people attended the concerts last year, there was only about $13,000 net to divide among the players, or an average of $6.30 per concert, with nothing allowed for rehearsals. One of the major expenses was amusement tax. For each $2 the players got the provincial government got about $1. Had the concerts not been held many of the musicians would have had to go on relief, and instead of getting $6,000 the provincial government would have been paying out more than that amount.

This year the musicians are doing better. They have a radio sponsor for their programmes and public-spirited citizens have raised a fund to supplement their earnings. The amusement tax is a little lower, although no special concession has been granted.

It has been a splendid effort and quite apart from their musicianship the men are deserving of congratulations for their determination to keep off the dole. But what a commentary it is upon the grasping nature of the tax collector's activities that every time the players earned two dollars to save the city and the province more than that amount in relief payments the provincial government took another dollar away from them.

Truly the supposedly beneficent State seems to be an ungrateful wretch.

Making It Easy to Read

THE Dominion Textile Company used an exceedingly graphic method to present its annual report to the public, revealing how far this leading cotton company has advanced beyond the distaste for publicity that marked its earlier years.

A chart showed that of the company's total income from sales, over 39 per cent went to buy raw materials, 24 per cent went for wages and 17 per cent for other manufacturing expenses.

There were available for common stock dividends less than 2½ per cent of the total gross sales. The politicians fared better than the investors, for nearly 4½ per cent of gross sales went to taxes.

In the text of the report of the directors, appears this significant statement, previously reported in our news columns, but worthy of being etched out again:

> "The substantial wage earnings of our employees have been a stabilizing factor in several communities, and, in such places, there has been little or no relief problem confronting the local authorities. In Magog, P.Q., for example, a town of some 8,000 souls, where our cotton mill and print works have been giving employment to approximately 1,500 people, the civic resources have not been subjected to dole demands, and the municipal finances are in a very healthy condition."

It has become axiomatic that the public is entitled to the facts about any business: how it is run, how it earns its money, how it spends it. But it is equally important that the information be presented in a form easy to understand. Some people are repelled by charts, but for most people the ones used by Dominion Textile Company must have served to illuminate the subject.

Government as Publisher

VERY broad are the powers which legislation provides for Canada's new broadcasting company. Among other things it will be permitted to "publish periodicals."

In this new quasi-Socialist state we are setting up in Canada there are very few fields left to individual effort. The politicians have been encroaching on almost all fields of business. In periodical publishing, the Dominion is active, with numerous publications from the Canadian National Railways Magazines down through the Commercial Intelligence Journal to the National Revenue Review.

Is the "Canadian Radio Listener" to be added to the list? Will it put the advantages of tax exemption and governmental patronage behind its appeals for subscriptions and advertising? Will the politicians tell the big firms that they must advertise if they want any favors from the government? Will the losses of the publication, as well as the losses of the national radio company be taken out of the taxpayers generally or will they be assessed as special tax on privately published periodicals and advertising media?

When governments go into business they do not do so until they have first of all, by legislation, appropriated all the aces and left taxpaying business firms with the deuces. If the national radio company gets going, businessmen may expect it to be run on traditional public ownership lines.

Bonds For Bondholders

THE Financial Post has run across one economist who argues that our increasing public debts serve a useful purpose. His contention is that we need more and more government bonds as a lock-up for the funds of thrifty investors.

Most people would have difficulty following a line or argument which contends that public extravagance is essential for the promotion of private thrift. If the politicians issue bonds chiefly to give investors something safe to put their money in, some of them forget that very quickly when public debts go beyond ability to pay. When that time comes, the thrifty investor is suddenly transfigured into a blood-sucking coupon-clipper, who would put "property rights above human rights," and he is too often told to whistle and wait for his money.

Fault Was Britain's, Not Canada's

WHAT must have remained in many English minds from the reams of publicity given the evidence in a recent libel suit taken by a stock promoter against the proprietors of a London paper is that he was selling what were repeatedly called "worthless" Canadian mining shares.

In truth, there is no reason for anybody in England to look down his nose at "Canadian" mining shares. The evidence in the case is more amazing to Canadians than to Britishers. It surprises them because those Canadian shares offered and sold in England and Europe could not have been sold in Canada. Certainly they could not have been sold very long by the methods outlined.

Neither this promoter nor any other individual or company could have got permission for one minute in Ontario to sell vendors' shares of a non-producing and inactive mining company. John M. Godfrey, Ontario Securities Commissioner, always insists in such cases that a large proportion of the money taken from the public go to develop the mine. Extravagant statements such as those used to load stocks on unsuspecting Britishers would have been checked up quickly. That is true in most parts of Canada. The recent case is therefore a black eye to England and her failure to give adequate protection to to investors, and not to Canada, even though the allegedly "worthless" shares were of Canadian companies.

It might be salutary for British journals to enquire if Britain cannot learn something in this field from Canada. Canadian mining production has been expanding year by year to the advantage of workers, the community and the investor. Canadians and Americans, who have chosen their stocks wisely, or luckily, have done well. Tens of thousands of others have been given a run for their money on properties that were worth trying out. No more could rightfully be asked anywhere. The difference between the British and Canadian situation is that Canadian provinces have appointed securities commissioners to watch the traffic in securities in order to eliminate as much fraud as possible.

The very conscientiousness of securities commissioners in Canada may have contributed something to the disrepute which has attached itself in the British mind to mining flotations from Canada. There was no difficulty in financing the worth-while ventures on this side of the water but there was great difficulty in getting money for anything in the shape of a mining racket. That is why share-pushing promoters moved over to Britain when they found the springs drying up in Canada. Too many duds and too few plums were handed to the British public because the Canadian public would have none of them.

The companies whose activities were probed in the recent trial were formed in Canada, it is true. But they did very little financing here. They tried to do so and were soon stopped. The very prosperity of the industry in Canada makes it natural that share pushers would like their companies to be associated with it. A British gold mining company would attract very little attention in Great Britain because gold mines in Britain are few and unimportant. For purposes of a mining promoter he has to have shares for sale of a company associated with "Canada" or "South Africa" or "Australia." In the old days a hypocritical scoundrel would join the church for much the same reason. The less character he had the more he needed a certificate of character. It hurt the church but it helped the hypocrite in his purely mundane aims.

The point is, Canada cannot stop misuse of its name in Great Britain. But if there were securities laws in Great Britain comparable with those in Canada the recent case could never have occurred. The promoter could not have got more than started on his career before he would have been brought to book.

Editorials in Brief

A tobacco advertisement starts off with these words:

"You don't have to be a grandfather to be elected to the school board in this country," declared the philosopher of Sunny Southern Ontario. "Look at our Premier—a young fellow not even married yet."

It is Mrs. Hepburn's turn to speak.

• • •

Vancouverites get not a little amusement out of the fact that they voted several times to have their new city hall on the central school square downtown and that it is being erected without a vote on distant Mount Pleasant; that they voted several times against the first narrows bridge and, having once voted in favor, got it; and that they didn't vote at all for the New Westminster bridge across the Fraser but are getting it, too.

• • •

Winnipeg has a tradition that when it has many mosquitoes it is an augury of a good wheat crop, and this year the pests have been numerous and hungry. Since the number of mosquitoes depends largely upon moisture conditions, there is some reason in this. A Kamloops scientist informs us, however, that there are 14 varieties of mosquitoes in western Canada so that the insect forecasters of the crop may not be much of an improvement on the ordinary human variety.

• • •

While the Democratic platform seemed to plow a straight furrow just to the left of Centre, the president's speeches place a more radical interpretation on that platform. Some observers think that, having lost the conservative elements in his own party, he is out to win the discontents and radicals from all other parties. Walter Lippmann thinks the president has accomplished, temporarily at least, "the transformation of the Democratic party from an agency of liberalism into an agency of bountiful humane paternalism."

• • •

In a Montreal publication appears the statement that, checkmated by the Senate on his Loan Council plan, Mr. Dunning has proposed a voluntary loan council.

The situation is quite different from that. The national advisory financial council is not a loan council and it is not a new idea presented as an alternative to the loan council plan. It was planned at the meeting of Mr. Dunning with provincial treasurers in January last and following that meeting was announced. The Financial Post told about it in its issue of January 1. It was something that was to be set up whether the loan council plan went through or not. It will be a purely advisory body, giving an opportunity for those charged with the responsibility of managing the public finances to confer with one another on problems of common interest.

Like all such bodies it can be of value only if, first, it meets and studies the problems intelligently, and, second, if its advice is generally followed.

• • •

In the past six years, Britain's budget deficits have totalled only $68 millions after allocations to sinking fund for debt retirement of $790 millions. In each of the last three years a surplus has been shown. A budget in Britain is an advance estimate to be scrupulously observed if at all possible. Tax rates are made to conform with expenditure requirements. The National Industrial Conference Board, of New York, looks enviously at Britain and says:

"Although the outlook for the next few years is by no means favorable from the taxpayers' viewpoint, there is every reason for the British taxpayer to regard the record from 1930 to 1936 with pride."

In the United States the net deficit—gross deficit less debt retirements—amounted to more than $14 billions between January 1 in the calendar years 1931-1935. In addition the federal government has assumed contingent liabilities, mostly in that period, of over $4.5 billions.

Canada's federal deficits for the depression period will have approximated $1 billion before balance can have been achieved in the public accounts. This is assuming that a two-year programme for budget balancing is tried and can succeed.

Sayings of the Week

"Public interest is not always synonymous with pure partyism."—*Rt. Hon. R. B. Bennett.*

• • •

"If statesmen cannot reach an agreement, the peoples themselves will do so."—*Adolf Hitler.*

• • •

"It is not easy to know what to do with leisure unless we have been brought up to it."—*George Bernard Shaw.*

• • •

"America has led the world in most material achievements but not in the making of saints."—*Sherwood Eddy.*

• • •

"There is no doubt that the tourist war of the future will be between Canada and Mexico."—*Hon. Frank Carrel.*

• • •

"The riding which I represent is overrun by these loan shark companies." — *T. L. Church, M.P. for Broadview (Toronto).*

• • •

"The credit of this country, particularly in England, is involved in the proper settlement of our railway problem."—*Senator A. D. McRae.*

• • •

"I have always dreamed of an ideal Senate, one in which the intellectual elite of the country should be represented." — *Hon. Raoul Dandurand.*

• • •

"I doubt whether this country could have existed through the last five years had it been less bountifully endowed with natural resources."—*T. L. Church, M.P.*

• • •

"Cheap power means the end of drudgery. It means more happiness in the home, and more happiness in the home means fewer divorces."—*Fiorello H. La Guardia.*

• • •

"During the last 20 years governmental expenditures in this country have run riot, the largest increases having been made in the provinces."—*Senator C. P. Beaubien.*

• • •

"If we continue to go on in the direction of increased taxation, we shall have more and more unemployment, with greater power in the hands of the unemployed."—*Rt. Hon. Arthur Meighen.*

• • •

"Rome was not built in a day, and imperial ambitions cannot be exercised in 15 years. After all, it is a very little while since we in the British Empire completely reformed."—*Premier W. L. M. King.*

• • •

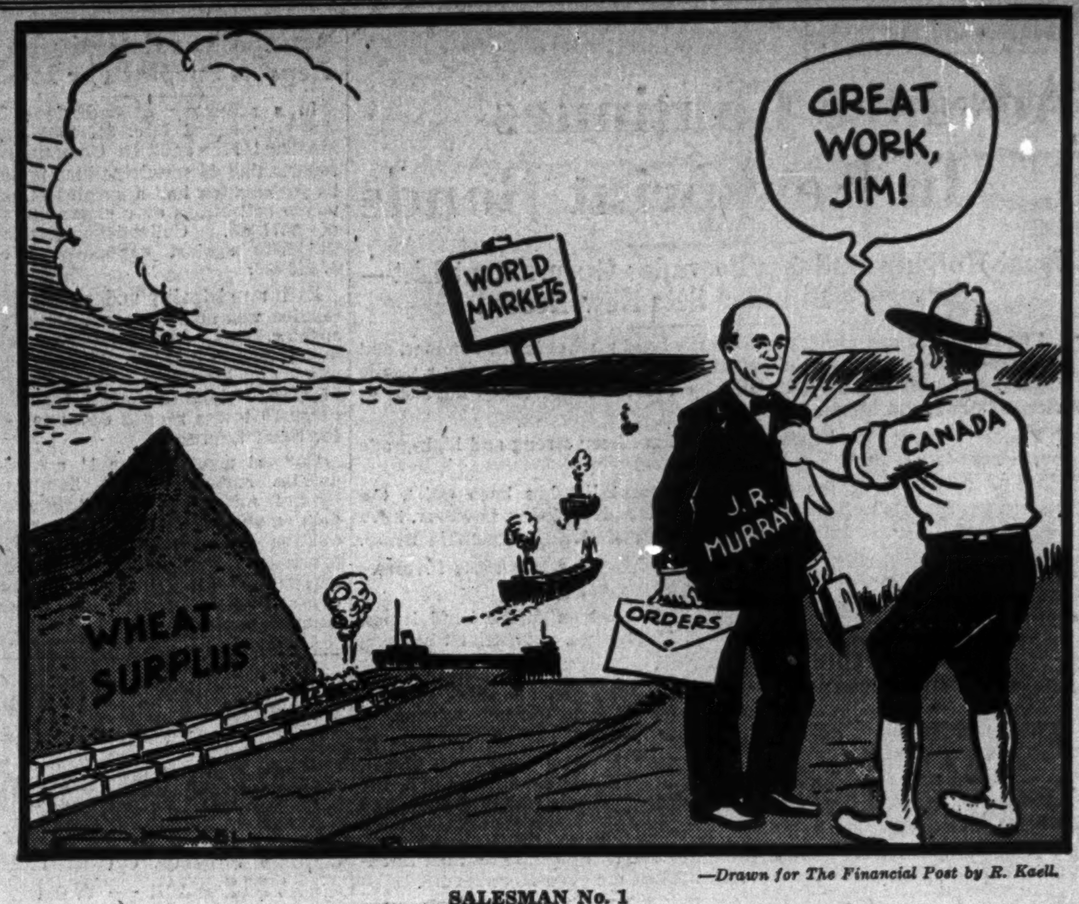
"The public do not believe a word we say when we insinuate that, other things being equal, we do not do anything for our friends. We do not believe it ourselves."—*Senator George P. Graham in the Senate.*

• • •

"Only when money, now frightened into hidden recesses, is lured into productive industry, by faith in the future and assurance of fair treatment, will millions now idle be put to work."—*Judge George W. Maxey, of Pennsylvania.*

• • •

"I should like to see the time come when a man could not be a director of a chartered bank when he was a director of a number of other private enterprises. I am not attacking the probity of these men, but I do not think they are angels."—*J. S. Woodsworth, M.P.*



—*Drawn for The Financial Post by R. Kaell.*

SALESMAN No. 1

Should Speeches Be Read?

In the Canadian Parliament, the reading of speeches is not permitted by the rules of debate. Occasionally someone in the Senate breaks the rule without being called to order. In the Commons, very important addresses of state, such as the budget address or an announcement on foreign policy, will be read in whole or in part, without objection.

Whether or not the reading of speeches is permitted in the British House of Commons we cannot say off hand but it is not likely. Little Philip Snowden was regarded as one of the most brilliant orators of his day in the British House and in his reminiscences he recalls that he taught himself to speak without memorization, and without manuscript. In the House of Lords speeches are still read, some of them very dull speeches, no doubt. The Earl of Crawford startled the Lords the other day with a resolution expressing the opinion that ". . . the growing practice of reading speeches is to be deprecated as alien to the custom of this House, and injurious to the traditional conduct of its debates."

Read It and Spoil It

The noble Earl is one of the House of Lords' brightest speakers. His own address on the resolution was a neat effort and it inspired others of similar power.

The Earl of Crawford contended that the growing tendency to read speeches did undoubtedly spoil debate. Peers came in with a speech prepared; they did not, naturally, refer to the speech which had gone before; they did not expect the speaker who followed to refer to their speeches; and as soon as they had delivered themselves they withdrew. That was not debating.

There was a queer fallacy on the matter—the idea that a speech which was written and read was necessarily more fully prepared than one which was not read. That was a complete fallacy. He never addressed the House without notes. So far as he was concerned they were necessary to ensure that his facts were properly marshalled and that his argument was in proper sequence, but he might have been 20 minutes or 20 years in mastering the subject-matter on which he spoke. He was pretty certain that people who read their speeches did so because they had not mastered the subject-matter of their addresses.

Leave It to Reporters

A friend of his told him the other day that he was shy of speaking in that House without typewritten notes; his phrasing, he said, did not come right. But that did not really much matter, for they could always rely on the reporters to correct their prose. It was well understood and quite proper that they should do so.

The Former General John Seely

Lord Mottistone, in support, revealed that after the war Mr. Bonar Law and he agreed that they would never use notes when they spoke. Mr. Bonar Law adopted the practice with marvellous success. Lord Mottistone admitted that he himself did the best he could, and he did succeed in introducing the Army Estimates without a single note or figure for reference. He memorized all the figures and he did not make a mistake. But that involved not less but more labor. It was a mistake to suppose that people who spoke without notes spoke at random and that only those who read from typewritten documents thought it all out beforehand.

Lord Balfour's Style

The late Lord Balfour told him that he was so nervous at the prospect of addressing the House of Commons for the first time that he was tempted to write all the speech out beforehand. But Lord Balfour decided that he would just jump into the cold water and swim; and from that time onwards he never made a speech from any document, except to give quotations.

"Far be it from me," said Lord Mottistone, "to think that my speeches would not read so well. On the contrary, it is much better that your lordships' speeches should be adorned by the reporter of The Times than that they should smell of the lamp. When I read reports of my speeches I often wonder how I came to speak so well, because I thought at the time that I was speaking very badly. The thing is that these expert gentlemen of the Press know what you mean to say and they make the speech much better and clearer than you make it yourself."

Gladstone's Peroration

Viscount Halifax recalled that in classical times and countries the view would be that an impromptu speech was almost in the nature of an irreverent act, in that it implied disregard for and disloyalty to the great art of rhetoric. It was no doubt true that many of those whom the British were accustomed to regard as the classic orators of their country must have read from written speeches. He imagined that this was certainly the practice with Burke, and certainly with some of Sheridan's speeches and those of Lord Chesterfield. Lord Curzon had related that from the gallery of the House of Commons, when Mr. Gladstone was making his second reading speech on the first Home Rule Bill, he was able to see that Mr. Gladstone held in the palm of his hand the complete peroration of that memorable speech.

He was sure that their predecessors and themselves were not really very different people. In that matter, as in others, the gods distributed their gifts with whimsical inequality. For those who had not the gift of speech to behave as if they had merely spelt disaster. He remembered some advice Lord Balfour gave him when he first entered the House of Commons. Lord Balfour asked him how he liked it there, and he replied that he felt rather like a little boy who had just gone for the first time to a private school and was rather diffident. Lord Balfour answered:—"My dear fellow, there is no reason whatsoever for feeling frightened in this place. All you have got to do is to speak as often as you can and as long as you can, and you will rapidly acquire that contempt for your audience that every bore always has."

Two Elements in a Speech

There were two elements in a speech; the act of speech itself and the thought behind it. It was a question on which opinion would always differ as to which was best, a good speech badly delivered that was worth reading and re-reading or the speech that was in itself bad but well delivered, due to the personality of the speaker, but which, deprived of that personality, would not deserve re-reading by a wider circle.

The preparation of speeches might be of many different kinds. The classical case of a speech delivered without any direct preparation would be the historic speech of Lord Grey of Fallodon delivered on August 3, 1914, the construction of which was described by Lord Grey in his book. He had no time to give to it but it came out in perfect form, spoken in a manner that carried conviction to all his hearers because he was so soaked in the subject that he could do no other.

Lord Monteagle remarked that the read-out speech was never half as effective as the extempore speech. If an opponent read his speech one was rather pleased than otherwise in that he kept reading his case rather than proving it. The man who read his speech felt bound to read it to the bitter end. If he were not reading it he would see that he had better shut up.

An Impromptu Speech

Brighest quips of the day's debate came from Lord Snell. He argued for adequate preparation of every speech.

There was no good speaking without preparation, and also, if possible, meditation, said Lord Snell. There were those who felt able to trust to the inspiration of the moment and who sometimes succeeded. They believed in the injunction, "It shall be given to you in that hour what ye shall speak." Unfortunately, it was not always evident that the gift had been received.

There were great natural speakers who were able on almost any subject at short notice to present an impressive and well-phrased speech, but those who had to rely on a painful and ragged eloquence needed to prepare beforehand.

There seemed to be no doubt that Burke's immortal speeches were either read or memorized. That was true, he thought, of many other speeches. A friend of his went one morning to see Lord Morley, who was not without a sense of form in debate. The noble lord said: "You see me very laboriously preparing my impromptu remarks for this afternoon in the House of Lords."

"Part of the difficulty," Lord Snell went on, "belongs to this House itself. It is a trying experience for anybody but a very seasoned offender to address your lordships' House. I have had 50 years' experience of public speaking, and your lordships' House is by far the most difficult assembly which I have had to address. It is not exactly that one speaks to a dead wall of countenances, but that one speaks to an audience which is bored and resigned to the inevitable. What disturbs the speaker is not opposition, because that stimulates and brings out reserves of power; it is the silent resentment evident on your lordships' faces. When one speaks in the House and hears the sound of one's own voice one feels almost like brawling in church.

Churchill's Dilemma

"Many speakers live on the give-and-take in public debate. When I was in the House of Commons Mr. Churchill loved to draw the fire of the Labor members, and he was always equal to whatever occasion presented itself. He was admired by all of us and most of us had a deep regard for him. One day we entered into a merry conspiracy; we agreed that when Mr. Churchill got up to speak he should be met by a stony silence. That did not make the right hon. gentleman dumb—you could not conceive of that happening in any circumstances—but it was the least effective speech I have ever heard the right hon. gentleman make."

Proceeding, Lord Snell said that the style and atmosphere of the two Houses differed; one brought out the good that was in a man and the other seemed to repress whatever was in him. Disraeli once said: "A man may speak very well in the House of Commons and fail very completely in the House of Lords. There are two distinct styles requisite. I intend in the course of my career, if I have time, to give a specimen of both." That eminent disciple of success would easily and successfully accommodate himself to the needs of the hour.

Audibility Not Vulgarity

Lord Snell added that audibility was not of necessity vulgarity—and also that the worst service any man could render to any audience, however distinguished, was to be afraid of it. There could be no good speaking unless a man felt that what he had to say was of infinite importance, and that it was his business to get other people to listen and attend. If they could encourage young and old people to prepare their speeches carefully and then to launch themselves on the generous sympathies of an audience which was awake, the results would be entirely satisfactory.

Training for Service . . . .

Halifax Herald

The significance of the step taken by Dalhousie University in establishing a course in Public Administration probably was not fully realized when Dr. Carleton Stanley, president of the institution, made the announcement a few weeks ago. Its effects on the conduct of government, while they will not be apparent immediately, are likely to be markedly beneficial in the years to come.

Dalhousie is pioneering in this field, so far as Canada is concerned, just as she did in establishing a Law School half a century ago, but she has precedents elsewhere. The University of London and other schools in the British Isles, together with several in the United States, are training youth for the public service. Their success and the excellent facilities available in Halifax have led the Governors of Dalhousie to embark on a similar programme with the support of the Rockefeller Foundation which has made $60,000 available.

Emphasis will be laid on political science, history, economics, law, commerce, public health, with special classes in public administration. Combined with these studies will be the foundation of the liberal arts course and, it is anticipated by the university, special investigations and researches of value to Nova Scotia and the other Maritime Provinces.

The high standing of the British Civil Service long has been recognized; only those specially equipped by training and intelligence could hope to gain admittance to the circle. In the Indian Civil Service similar qualifications were required. The excellence of the results obtained has been appreciated the world over; others have attempted to imitate the system and they, too, are beginning to feel the benefits.

With the establishment of this new course at Dalhousie University, it is believed that young Nova Scotians will look upon the public service as a worthy career and one for which they may be specially trained. Chance undoubtedly has favored Canada and many splendid, conscientious and capable workers have been obtained to devote their lives to their country. On the other hand, too often has the government department been the last refuge of the incompetent. University training is expected to combat this latter phase most effectively.

In the Mail

(Not over 200 words, please)

Government Annuities

Editor, The Financial Post:

I have noticed in The Financial Post and in other papers, articles suggesting that the policy of the Canadian government in selling annuities at a much lower rate than the leading insurance companies of Canada is a mistaken and costly policy, and that the government is losing very heavily on these annuities. Will you permit me to say a few words for the government and the annuitants?

It is probably true that there is financial loss at present. The government was too generous in its offer at first, allowing men who were not poor to acquire an annuity as high as $5,000 at low rates. This rate has now been stopped and the highest amount of an annuity is now $1,200. I think this is too much. I am an annuitant receiving $400 a year, and this sum keeps me in comfort, and I have no idea of applying for an old age pension, and I do not have to ask for relief.

Now it seems to be a better policy for the government to help small investors to secure their old age by this means than to compel them in these risky times to invest in shaky securities and perhaps lose all, as I have lost a part of my savings. Is it not infinitely better for a man to be freed from the ignominy of relief, and the unpleasant obligations consequent on obtaining an old age pension?

I have not seen full particulars of the government's scheme for annuities, but I am sure there are 20,000 recipients of annuities under it. Suppose there are no annuities except on the high rates of leading insurance companies, I am safe in saying that one half of the 20,000 would have to be supported by the socialistic charity of the government. Such a state of affairs is bad for everybody; the giver and the given.

Let the government help annuitants to as high as $500 a year, and let the wealthy buy their annuities from private interests.

F. W. RANKIN,
Lynn Creek P.O., B.C.

As Others See Us . . . . .

Municipal Defaults

Victoria Times

Because the East has so much to say about bond defaulting in the West, it may be well to reproduce The Financial Post's summary of municipal defaults for Canada in millions of dollars.

This table reveals that no part of the West but good old Ontario itself leads Canada in municipal defaults. British Columbia's percentage is well under half that of Ontario. In scorned Alberta the percentage is negligible, the municipal debt per population being very small. In hard-hit Saskatchewan the rate is the same as that of British Columbia. Manitoba's is higher, but still under Ontario's.

Other People's Views . . . .

Taxes and Dividends

Chicago American

What prompts men to risk money in a business enterprise? The hope of profit, of course.

But it would not seem as if Washington is possessed—obsessed—by the notion that the primary, the main function of a business enterprise is to collect taxes from consumers and pay them over to taxeaters.

It has become quite common for a business concern to pay far more in taxes than in dividends.

Social Credit Economists

Jesse Gouge

In "The Danger of Douglasism" published by the Economic Safety League, Drumheller, Alta.

A negro who had decided to take a course of study at a night school, met a friend of his a few weeks later and the friend enquired—"How is you all gettin' on at that night school Sam?" "Very well," replied Sam, "I'se got so I can add up the noughts all right, but when I gets to them figgers they bothers me."

The S.F.N. (Something for Nothing) Party does a lot of figuring with noughts. Their only trouble is, that when they add them up, they invariably get the wrong answer.

When the net product of nothing, added to the cube root of a vacuum, will produce an income, Social Crediters will be economists.

Apt To Be "Calamity Bonds"

Edmonton Journal

Mr. Aberhart has given the name "prosperity bonds" to his stamped scrip plan. If history teaches anything, they are more likely to prove "calamity bonds" to the people of Alberta.

The idea of using a medium of exchange to be stamped whenever used, or once a week, and to be redeemable in real money when sufficient stamps have been affixed, is not new.

Stamped scrip has been tried a good many times and has failed.

The experience of the city of Portland, Oregon, is a recent instance of the calamitous results of such a plan. In Portland, the certificates had to be stamped whenever used, with a two-cent stamp. Many business concerns refused to handle them. The final collapse came when the city itself refused to accept them for taxes. Now the county commissioners who issued them are offering to redeem them for only 10% of their face value.

It will be regrettable to the extreme if Albertans are called on to try a monetary experience that already has been proved a failure elsewhere.

Stop Me If You've Heard This One . .

A Scots family lived in the flat above. Many friends called and dances were held nearly every night.

"Doesn't all that dancing disturb you?" asked a friend of the man below.

"No," the man replied. "When we want to stop their dancing, all we do is turn off our radio."

Week in Business

Business Prospects Dimmed by Drought

Still Early to Jump at Crop Conclusions Despite Reports from West — "Dog Days" Boom Tourist Trade

Searing temperatures and shrivelling wheat fields in western Canada this week come as bad news to business generally. Hopes of a big crop must now be abandoned. Little is expected in the way of new wheat money in the old drought areas of southern Saskatchewan and to a lesser extent in south central Alberta and Manitoba. In the northern areas of the 3 prairie provinces, however, latest reports still indicate that good crops are possible, though a favorable outcome depends upon rain and lower temperatures within a few days.

Of course, early July is still too soon to abandon all hope, just as it is still too early, when conditions are reversed, to bank on "bumper" crops. Summer and fall moisture, though it may prove too late to save the wheat in the southern areas, may revive hay and pasture as was the case last year. Such feed when translated into milk, cream and butter cheques should mean a continuance of last fall's retail business revival, even though tax and mortgage money from wheat may not be available.

• • •

"Dog Days" Ambiguous

Although most reports of business activity point to considerable improvement over last year's level, the usual seasonal factors are beginning to make themselves felt. Recessions in summer trade are by no means general, however.

A feature which many are apt to overlook entirely is that "dog days" in some lines represent the best time of year in others. Beverage manufacturers, for instance, might feel justifiably grieved if asked for extended holidays in the summer months. Tourist business, which has developed into one of the country's major industries, is another which benefits by the so-called off season. Those who cater to this trade will have their hands full this summer if advance reports are maintained. From practically all sections of the Dominion have come reports that substantially greater revenue from visitors is anticipated.

• • •

Production Values Up

If value of production may be taken as a criterion, Canada took a long stride on recovery road in 1934, and made further advance last year. A report from Ottawa this week shows that net value of 1934 production was $2,381 millions, compared with $1,996 millions in 1933—or an increase of 19%. While this was the first increase in six years, the jump was sufficiently great to wipe out the losses of 2 years, taking the total well on the way to the 1931 level.

Figures for 1935 are not yet available, but price and volume indexes point to a further net gain in production values. Wholesale prices were 0.7% higher than in 1934 and employment was up 3.5%.

Prices played an important part in the 1934 gains as, although fairly constant throughout the year, the level was well above the depression lows of early 1933. Greatest absolute gains were in manufacturing and agriculture, with largest percentage advances in construction and mineral production.

Ontario led in production of new wealth with 43.1% of the Dominion total; Quebec was in second place with 24.9%. The other provinces follow in order: British Columbia, Alberta, Saskatchewan, Manitoba, Nova Scotia, New Brunswick and Prince Edward Island.

Changes of the Week

Favorable

Automobile financing in May rose to the highest level for any month since June, 1929. Cumulative totals for the first 5 months of the year show increases of 37% in number and 33% in volume over the 1935 figures.

Construction contracts awarded in June were $2.3 millions above the same month in 1935. Government expenditures on roads and more active building by private interests bulked large in the total.

Retail sales in May were well above last year's level, with most classifications registering gains.

Unfavorable

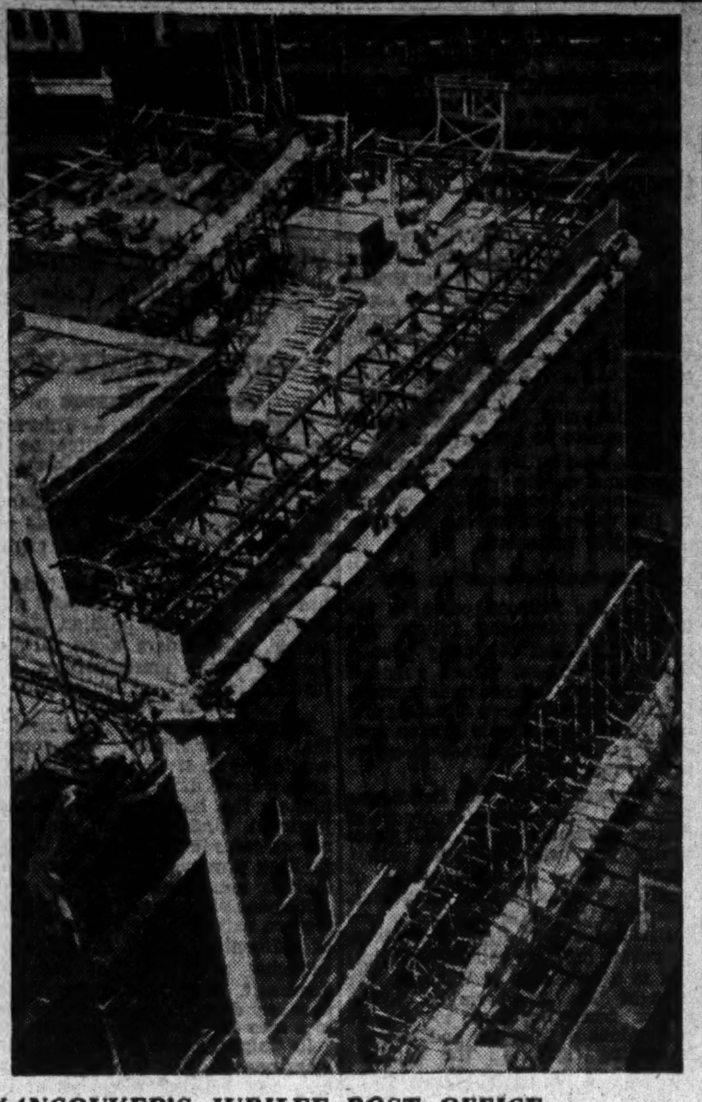
Coal imports in May were $1,360,000, off $125,000 from the 1935 figure.

Business Indicators as Compiled by The Financial Post

▲Denotes new figures this week.

	WEEKLY DATA —Latest— 1936	1935	—Cumulative Total— Jan. 1 to date 1936	1935
Transportation—				
Car loadings (June 27)	▲46,909	45,436	1,125,826	1,113,985
C.N.R. gross earn. (June 30) .	$ ▲4,585,726	$ 4,251,729	$ 85,661,428	$ 80,143,316
C.P.R. gross earn. (June 30) .	$ ▲3,601,000	$ 3,188,000	$ 62,042,000	$ 54,525,000
Business Conditions—				
Weekly index D.B.S. (June 27)	▲108.3	98.5	......	......
	MONTHLY DATA 1936	1935	1936	1935
Business Conditions—				
Financial Post index (May) ..	‡107.9	99.8	......	......
Transportation—				
C.P.R. net revenue (May)	$ ▲1,450,289	$ 1,143,914	$ 5,615,450	$ 4,656,206
C.N.R. net revenue (May) ...	$ 933,551	$ 654,527	$ 2,465,598	$ 2,663,221
Iron and Steel (May)—				
Pig iron production (tons) ...	58,832	45,432	283,973	215,222
Steel ingots and castings prod. (tons)	94,602	72,811	496,504	314,713
Automobiles (Number)—				
Passenger Car:				
Domestic sales* (May)	15,854	13,858	51,598	47,338
Factory output (May)	16,389	17,093	73,238	78,114
Trucks and Buses:				
Domestic sales* (May)	3,239	2,717	10,709	9,068
Factory output (May)	3,617	3,672	16,310	17,470
Exports (May)	4,214	4,684	24,337	31,380
Construction—				
Building permits (May)	$ 4,160,988	$ 4,728,340	$ 12,914,830	$ 19,535,656
Contracts awarded (June) ...	$ ▲20,803,400	$ 18,521,400	$ 77,708,500	$ 75,594,500
Newsprint (tons)—				
Production (May)	267,067	242,693	1,219,212	1,054,253
Exports, tons (May)	▲258,288	239,880	1,076,705	936,333
Sugar (lb.)				
Melting & sales§ (raw)	▲96,053,265	93,608,459	303,134,553	291,101,960
Manufactured§	▲92,455,481	87,364,302	292,386,286	294,392,109
Flour (bbls.)—				
Production (May)	▲1,196,339	1,164,323	5,378,549	5,142,549
Wheat flour exports (May) ..	446,653	383,221	1,861,001	1,813,384
Trade—				
Retail trade (index no. of sales) (May)	▲72.9	68.3	......	......
Imports (May)	$ 59,012,669	$ 54,539,747	$ 236,285,406	$ 213,640,704
Exports (May)	$ 83,819,751	$ 65,406,251	$ 343,966,944	$ 291,528,044
Wheat exports (bush.) (May)	27,316,983	11,989,891	68,824,021	38,510,499
Employment, D.B.S. Index (June 1)—				
All industries	102.0	97.6	......	......
Manufacturing	103.4	98.4	......	......
Electric Power Output (May)—				
Total monthly (000's omitted)	2,083,045	1,923,071	10,411,384	9,563,844
Other Industrial Indices—				
Lumbering:				
Plank & board exports M. bd. ft. (May)	136,894	129,517	485,035	457,365
Boot & shoe prod., pr. (Apr.)	2,065,587	2,026,464	7,525,384	6,875,185
Crude petrol. imp. gal. (May)	103,317,363	131,131,917	323,829,524	328,749,567
Cotton imports, lb. (May) ...	9,858,993	6,316,015	62,202,905	43,654,569
Raw rubber imp., lb. (May) ..	4,974,572	8,800,907	19,636,856	26,724,581
Coal imports, tons (May)	▲1,360,026	1,485,060	3,342,676	3,637,479
Finance—				
Bank debits (May)†	$ 2,979,199	$ 3,132,209	$ 14,111,283	$ 12,506,825
Bond sales (May)	$ 45,531,750	$ 70,542,182	$ 544,578,864	$ 208,452,156
Life insurance sales (May) ..	$ 28,977,000	$ 27,423,000	$ 155,483,000	$ 149,443,000
Automobile Financing—				
Used cars (May)	$ ▲3,634,272	$ 2,478,268	$ 10,159,868	$ 7,186,121
New cars (May)	$ ▲4,932,173	$ 3,668,725	$ 13,402,925	$ 10,463,413

*D.B.S. All-Canada figure comprising over 90% of the Canadian total. †000's omitted. §For 4 weeks to June 13. ‡Final.



VANCOUVER'S JUBILEE POST OFFICE

Caught by The Financial Post's camera from the 17th floor roof of the neighboring Royal Bank Building, Vancouver's new post office at Granville and Hastings Streets is one of the bright spots on the city's waterfront in its Jubilee year. Costing some $1,175,000, the new building is being constructed by Carter Halls Aldinger Co. and is expected to be ready for occupancy this year. While residential building is on the increase in Vancouver, the large sums involved in the post office building and the new city hall are major factors in raising construction contracts far above 1935 volume.

Background of Business

Food Chains Sell More Despite Fewer Stores

Food chain stores considerably strengthened their position in 1935, according to preliminary report of the Dominion Bureau of Statistics.

The number of stores operated by the 86 chains was sharply reduced during the year, but volume of sales showed an encouraging increase. In 1935, 2,309 units sold goods valued at $105,624,100; in the previous year 2,395 units sold $104,912,800. Thus, it would appear that the chains closed up the weaker merchandising branches and concentrated on the stores where operations are more profitable.

The more favorable experience is due almost entirely to gains in the 3 western provinces. Sales in the Maritimes, Ontario and Manitoba varying but slightly from the 1934 figure, were lower, continuing the downward trend. Quebec sales dropped almost 5% during the year, and were almost 8% less than in 1933.

• • •

New Car News

Advance news on 1937 automotive trends indicates a year devoid of sensational styling, says Business Week. Though some manufacturers are considering the Lincoln-Zephyr type of body design and construction, others are holding to the conservative lines.

In the realm of mechanics, two well-known companies are said to be committed to automatic transmission for 1937, the accelerator doing the work formerly done by the gear-shift lever. Other changes indicated include minor points such as shock absorbers, aluminum pistons, all-steel top, etc.

The trend toward economy of operation is accentuated by one company said to have equipped a line of cars with an "economy motor" for the fleet trade. The motor, it is said, has not much pep but is cheap to operate. The car will not be available to the general public since car owners might get the wrong impression that the car is an inferior product and might not understand that the engine has been purposely toned down.

• • •

Soya Beans

Montreal has become an important clearing port for soya beans. These shipments started last year, there previously having been no export of this commodity from the United States.

Recently Montreal reported substantial shipments from the U. S. Middlewest clearing for Antwerp, Havre, Hull, Karlsham, etc.

• • •

Oyster Farming Success

Excellent results from the federal government's policy of developing oyster farms in Prince Edward Island are reported for last year. Oyster "farmers" sold more than 10 times as many oysters as in 1933.

Under the new policy, areas were first offered for leasing in the autumn of 1931. In 1932 the number under cultivation was 26 and the approximate total size 110 acres. Last year, leased areas being farmed numbered 140, and their combined size was approximately 601 acres. In 1932, farmers planted 254 barrels of oysters, building up their producing stock, and in 1935 plantings totalled 2,103 barrels. Sales in 1935 are placed at over 1,000 barrels compared with but 92 barrels in 1933.

• • •

Steel Wire Sales

Factory sales of steel wire by Canadian producers totalled $4.4 millions in 1935—a gain of 21 per cent over the same figure a year ago. Sales included 36,000 net tons of plain wire, 20,000 tons of galvanized wire, 12,700 tons of barbed wire, 3,400 tons of coated wire other than galvanized. Largest item of sales was plain wire valued at over $2 millions.

• • •

Holidays With Pay

Another important firm to join the trend of those extending vacations with pay to hourly wage rate employees is Packard Motor Co. Basis is those who have been a year or more in continuous service prior to June 1, 1936. They will receive a week's vacation with pay at their hourly rate. The plan is based on the accumulation of monthly vacation credit amounting to one-half day's vacation for each full month of continuous service during the year. On this basis, over 7,000 workers are entitled to vacations this summer.

Holidays with pay recently received considerable attention at the annual meeting of the Steel Institute at New York.

Another important trend instituted by Packard is what is known as "separation pay for hourly rate employees cleared from payroll due to lack of work or a reduction in force." After June 1 they receive as separation pay their vacation credit accumulated up to the time of their lay-off.

• • •

Selling Silverware

Canada's 12 silverware plants produced goods valued at $3.4 millions in 1935—a gain of 20.5 per cent over output of the preceding year, according to official figures from the Dominion Bureau of Statistics, Ottawa. The figures include production of silver-plated and sterling silverware.

Largest single item of production was flatware electro-plated on nickel-silver, with an output of over $1 million. Imports during the year totalled $64,596 compared with $67,425 the previous year.

Spruce Falls Values at Cost Fixed Assets

Small Operating Loss Is After Redeeming $1 Million Bonds

Net sales of newsprint and sulphite pulp for the year ended April 30, 1936, by Spruce Falls Power & Paper Co. amounted to $5.3 millions, an increase of $443,210 over 1934. Gross profits of $759,774 was little more than in 1934 but net earnings were more and net loss was less. The additional revenue from the increased sales and the advance of $1 a ton on January 1, 1936, were absorbed by increased costs.

The general situation of the company has been improving, however, during the depression. As shown by the income and surplus account herewith the accumulated operating deficit is $817,360 as compared with an operating surplus of $292,271 in 1930. But since 1930 the company has reduced its 5½% first mortgage bonds from $15 millions to $9 millions at the rate of $1 million yearly. In other words this process is relieving it of an additional burden of $55,000 interest each year.

Owners Lack Dividends

Of course, the company has not paid dividends since October 1, 1932, on either the $8.9 millions of 7% cumulative first preferred stock or the $5 millions of 7% cumulative second preferred stock nor anything at all on the 200,000 shares of no par value common stock. Kimberly-Clark Corp. holds $2.5 millions first preferred, all the second preferred stock and 102,000 common shares. The remaining shares of first preferred and common stock are held by the New York Times Co. There are now deferred dividends of 24½% against both classes of stock.

During the year the company wrote off an intangible asset of $10.5 millions added to property account in March, 1927, by appraisal of the value of its water power leases and pulpwood contract rights. The amount was credited to appraisal surplus. The company's fixed assets are therefore shown at $30.1 millions as compared with $40.5 millions a year earlier. The depreciation reserve against this total value was increased during the year from $7.4 millions to $7.9 millions. The net result is that the new set-up shows an impairment of the value of the second preferred stock.

Bank Provides Working Capital

Working capital has been gradually getting less since it was $1.6 millions in 1930 and now for the first time there is a working capital deficit of $105,521. Bank advances in this period have gone up from $163,010 in 1930 to $1.7 millions on April 30, 1936. The current assets are mainly in receivables and inventories which increased during the year. The improving position as to bond liability suggests that as soon as the present improvement in the pulp and paper industry proceeds far enough to put the company into the profits column it may decide to refund its 5½% bond issue. It could possibly retire the $9 millions bond issue in favor of a $10 millions or $11 millions issue with a less onerous sinking fund proviso and possibly a 4½ or 5% rate. That in itself would change the current deficit to a current surplus and restore working capital by eliminating bank loan and increasing cash.

Those best qualified to judge of the possibility of such a refunding believe that it is a little too early for a newsprint issue but see this company as likely to figure earliest in such a financing. The improving position of the company is therefore a matter of great interest to the leading investment dealers.

Prospects Improve

In view of the fact that the best part of the fiscal year now reviewed was in the last 4 months of it, the prospects for the current year appear much better. For the year as a whole the company's sales of newsprint were 10.6% higher in tonnage and 10.9% more in value and the sales of sulphite pulp 13.3% higher in tonnage and 4.1% more in value than in the preceding year.

Commodity Prices

	Latest week	Previous week	Same week last yr.
Cattle	$6.00	$6.25	$7.25
Hogs	9.75	9.75	10.50
Copper, lb.	.09½	.09½	.08
Cotton, lb.	.1249	.1243	.1220
Rubber, lb.	.1637	.16	.1218
Sugar, raw, lb. ..	.0376	.0376	.0329
Silk, lb.	1.60	1.66	1.42
Wheat (Man.) bus.	.92⅝	.92½	.80
Coffee, lb.	.07¼	.07¼	.08⅝
Hides	.10½	.11	.10
Weekly Indices			
N. Y. Annalist	122.7	122.6	122.9
Fishers'	83.1	82.6	81.7
N. Y. Journal of Comm.	81.5	80.1	77.9
Crumps (Brit.)	68.5	68.4	64.1
U. S. Labor	78.7	78.7	79.3
Canada (D.B.S.) ...	72.7	72.4	71.5
Monthly Indices			
Canada (D.B.S.)	Latest month	Prev. month	Same last year
Retail (May)	80.1	79.8	78.6
W'sale (May) ...	71.8	72.2	72.2
U. S. Labor (Mar.).	79.6	80.6	79.4
Gt. Brit. (Mar.) ...	91.7	91.7	86.9

Note: The base of indices is that 1926 equals 100. British index is Board of Trade converted to 1930 base.

Base of price quotations is as follows. cattle—steers, good, over 1,050 lb., top price. Toronto: copper—electrolytic, New York: silk—Japanese, 13-15, New York: Sugar — 96 degrees centrifugal c/f New York: wheat—No. 1 Man. North., Ft.-W.-Pt. A. basis; hides—No. 1 packer light native cows, New York; hogs — select bacons, Toronto.

What's What In Advertising

By TORY FLEMING
Editor, Canadian Advertising

Financial advertisers in New York City, through their committee on advertising practice, are recommending for adoption a code designed to eliminate the use of so-called "irregular media." It will be considered at the September meeting of the N. Y. Financial Advertisers Association.

The media in question are as follows:

(1) All programmes covering non-commercial events or entertainment. (2) All publications except recognized commercial media which may be classified as undergraduate, religious, political, club, fraternal organization, etc. (3) House organs, other than own. (4) Directories in which the listings must be purchased. (5) Advertisements congratulating others upon events like birthdays, new buildings, etc. (6) Donations of advertising space. (7) Any form of advertising contingent upon purchase of copies of the publication in question.

While members will be urged to adopt this as part of their advertising policy, the code is not designed to be an agreement binding members.

E. Gordon Stephens of the MacLaren Advertising Co. has been appointed manager of the Vancouver branch of that agency. The offices have been moved to the Province building in that city.

First of a series of meetings between representatives of advertisers, agencies and dailies was held at Lucerne-in-Quebec June 22. Their object was to arrive at some basis of agreement on the subject of agency status and while no statement was forthcoming as to what was achieved at the initial meeting, it is understood that some progress was made.

Changing Conditions

Conditions in the field of investment meet with frequent changes. The resources of our organization for securing authoritative information upon investment subjects are available to any of our clients.

Inquiries may be made to our nearest Branch

A. E. AMES & CO.
LIMITED
Business Established 1889
TORONTO
Montreal Winnipeg Vancouver Victoria New York London, Eng.

ACCURATE CREDIT INFORMATION

is the primary step in modern sales research. Get the facts at the source.

Dun & Bradstreet files reveal the current financial standing of business men everywhere.

Dun & Bradstreet of Canada, Limited
A Nation-Wide Service

Through Their Savings They Shared in a Billion Dollars

DURING the past six years, Canadian policyholders and beneficiaries have received, from their Life Insurance savings, one billion dollars.

So large is this amount—so far-reaching are its benefits—that it is nearly twice the total sum disbursed in direct relief by Canadian municipalities and the Dominion and Provincial governments.

If it had not been for these large payments of Life Insurance, additional thousands of Canadian families would undoubtedly have been dependent upon government and municipal relief.

Through their savings in Life Insurance, these families have been able to retain their financial independence and self-respect. Widows and fatherless have been provided with the necessities of life. Children have been educated. And many men and women have been freed from money worries in their old age.

Life Insurance

Guardian of Canadian Homes

For Income and Appreciation

The corporation bond market affords opportunities for investment at acceptable interest rates. Some issues, in view of business improvement, offer promising possibilities of capital appreciation.

We shall be glad to submit offerings upon request.

244 St. James Street
Montreal
Harbour 3121

330 Bay Street
Toronto
Adelaide 7105

Royal Securities Corporation
Limited
Offices throughout Canada; also in New York and London

QUARTERLY REVIEW
of Canadian business

In addition to a general review of Canadian business for the second quarter of 1936, the current issue of The Quarterly Review includes a summary of corporation public financing, from 1932 to date. Write for a copy.

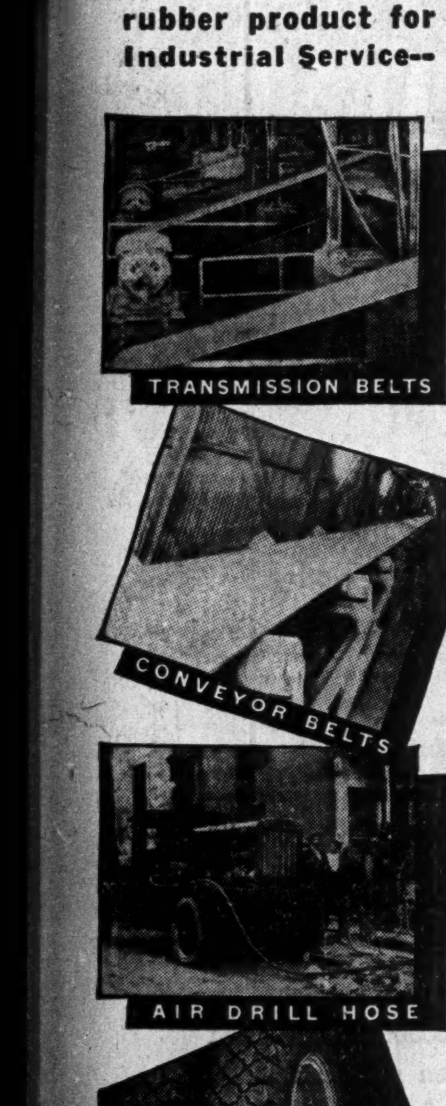
McLEOD, YOUNG, WEIR & CO.
LIMITED
Metropolitan Building, Toronto
Telephone: Elgin 0161
Ottawa Montreal London Hamilton

Do you know the stellar roles that RUBBER plays in Canadian INDUSTRY?

No. 5 of a Series

Sulphuric Acid is a necessary evil. Indispensable to certain processes, and unavoidable in others, it quickly corrodes metals. But it does not corrode rubber — Gutta Percha technicians see to that. That's why rubber is used to line acid tanks and extractors, in silk mills, water pumps in coal mines, and serves as piping and hose in scores of places where acid must be conducted. Resistance to corrosive acids is but one of many triumphs for modern rubber science. Gutta Percha has developed a rubber that outwears steel, another that resists heat, another that withstands terrific pressures of air, steam and water, another that flexes millions of times without breaking. Rubber is becoming industry's most useful material. Perhaps rubber can cut costs, defeat depreciation and improve efficiency in your plant. Why not see a Gutta Percha engineer?

Made by GUTTA PERCHA ....is all that need be said about ANY rubber product for Industrial Service--



.... and many hundreds of other thoroughbred quality Rubber products including: AIR, STEAM, WATER, SUCTION and FIRE HOSE; MOULDED RUBBER PRODUCTS, RUBBER GASKETS; RUBBER LININGS; RUBBER BOOTS, and Industrial Rubber products made to your special specifications.

GUTTA PERCHA & Rubber, Limited
A Strictly All-Canadian Company
TORONTO - CANADA

U.S. Watches Expenses Hit Giddy Height

Democrats Do Nothing to Answer Charges of "Squandering"

BILLIONS SPENT

From Our Own Correspondent

WASHINGTON, D.C. — Perhaps the most glaring omission from the Democratic party platform adopted at the Philadelphia convention was any discussion of government spending. Beyond indirect references to "reviving national income" having "fortified government finance," the claim that U. S. government bonds are now selling at 104 compared with 83 in 1932, and the promise "to reduce the expenses of government" aided by "the recession in unemployment"—a disputed point—the Democratic platform made no direct defense to Republican challenges of squandering the nation's money.

Average voters, little interested in statistics, have no real conception of what this government spending means. Briefly, here are the U. S. treasury figures of June 26, last, within 4 days of the end of the current U. S. fiscal year, compared with the same period last year:

	This year	Last year
	$	$
Expenditures	8,793,139,458	7,258,217,989
Receipts	4,080,381,456	3,785,870,095
Deficit	4,712,757,973	3,472,347,894
National Debt	33,950,895,453	28,665,773,433
Gold reserve	10,603,315,803	9,108,853,746
Customs rec.	383,337,791	340,896,158

Feel Bonus Effect

The most cursory inspection of this tabulation reveals that the annual deficit has now exceeded annual receipts by close to three-quarters of a billion dollars. Part of this rapid increase in the deficit is due to the cashing of bonus bonds by veterans, some half billion dollars of them having been presented for immediate payment. It was in anticipation of this that the government forced through congress the new hybrid tax bill aimed against corporate surpluses and designed to raise approximately $600,000,000.

One interesting item is customs receipts. Despite the administration claim of rapidly reviving foreign trade, the customs receipts reflect little increase from $340,896,158 in 1935 to $383,337,791 in 1936, a growth of only $42,441,533 in the last year.

It is true that annual receipts have grown by approximately three-quarters of a billion dollars—this is the "reviving national income" of which the platform speaks. But simultaneously, expenditures have grown in one year by the enormous sum of more than a billion and a half dollars.

Relief Costs Staggering

Moreover, according to an analysis of relief expenditures made public by Representative John Taber, republican, of New York, at the present rate of relief expenditures, by January 1, next, in the coming fiscal year there will be a deficiency of $2,500 millions, as the new appropriation of $425 millions will have been exhausted long before that time. Making allowance for Mr. Taber's political prejudice in his charge that the exorbitant election demands of Postmaster-General James Farley are responsible for the huge growth in the relief spending, there is no question of the actual growth in such expenditures. Moreover, the spreading drought in the western prairie states further blackens this financial picture.

It will be likewise noted in the above tabulation that the national debt was increased in the last fiscal year by something more than 5¼ billion dollars. But since Mr. Roosevelt took office in March, 1933, the national debt has increased from $22,538,672,560 to $33,950,895,453—$11,412,222,893 in 3 years.

Ask More Currency

The old item is a particular point of issue with the new Father Coughlin-William Lemple union third party. They argue that with such a gold reserve, there is no reason why currency could not be issued against it at least 2 to one instead of issuing more bonds. With the type of "soft" money argument that prevails in the western prairie states, this is the most dangerous political issue that the administration has to face.

While the Democratic platform, and the president, himself, in his Philadelphia speech of acceptance virtually ignored this financial question, one may be certain that their Republican opponents will make much more of it during the coming campaign.

Starts New Job at 75!

Age, Impaired Eyesight, Not Keeping Hon. R. R. Bruce of British Columbia from Tokio

By CHARLES L. SHAW

VANCOUVER.—Appointment of Robert Randolph Bruce, formerly Lieutenant-Governor of British Columbia, as Canada's minister to Japan surprised his home province as much as the East and the prairies. But it was presumed that in seeking a successor to Sir Herbert Marler, who goes to Washington, Prime Minister Mackenzie King placed as a primary essential for the office the ability of making and keeping friends. If Canada needs in Japan an ambassador of goodwill, above all else, Mr. Bruce will probably fill the bill to a nicety.

Most of the surprise in Mr. Bruce's appointment arose from the fact that he has reached the age when most men feel like relinquishing the exacting cares of office, especially when they involve striking out in a new field in a foreign environment. Mr. Bruce, although physically alert and in good health, save for an old handicap, impaired eyesight, is 75. He is at present abroad.

HON. R. R. BRUCE

Not a Businessman

Mr. Bruce is not and never was a businessman, in a strict sense. In that respect he will be a very different type from his predecessor, for Mr. Marler made an enviable record in industrial and commercial life before going to Japan to pioneer the job of Canadian minister to Tokio. Much of the credit for the big expansion in trade between Canada and Japan in recent years is undoubtedly due to the organizing ability and selling talent of Sir Herbert.

But if the personal success of Mr. Bruce is to be accepted as an augury of what he will make of his new office Canada should have few grounds for concern. His career reads like a story-book, and his nomination for the Tokio post marks just one more high spot in a life of romance and adventure.

Started as Engineer

His father was a Scottish minister of modest means who, however, was thrifty enough to put aside sufficient earnings to send his 3 sons to Glasgow University. It was there that Randolph acquired skill at engineering, which he put to practical application with a large Glasgow construction firm. But he sought a wider sphere and at the age of 26, with $40 in his pockets, he set out for the new world.

Arrived in New York City, Bruce found various odd jobs for a few months but decided to go west and he ultimately found employment in one of the C. P. R. construction camps in the Rockies. By coincidence he met Lord Mount Stephen and instantly won his favor, but he did not remain long enough with the C. P. R. job to win much advancement.

When the slump of 1897 came, he quit the railroad for good and went prospecting. He drifted from camp to camp and eventually met B. C. Hammond, who was then operating the Parradice mine in the Columbia River valley. Hammond gave Bruce a job as assistant engineer.

Lead Poisoning Hits Eyes

Fortune came his way until the day that he suffered lead poisoning, after which his eyesight started to fail. His mining days were over, but he retained his confidence in the Columbia River country.

"This isn't only a mining region," Bruce told Hammond. "We could make it a garden, and settlers would come in from all over the country. We could found a new community."

Hammond was sceptical at first, but Bruce convinced him of what irrigation would do to the parched hillside and lowlands. The project was launched, and in the end Bruce, who had obtained options on some of the best of the land, made a handsome profit when the Columbia Valley Irrigated Fruit Land Company, Ltd., was formed. What had at first been regarded with a sneer by mining men as "Bruce's Folly" turned out to be his fortune.

Bruce, who built a great mansion-like home on the shores of Lake Windermere, became a sort of lord of the valley, known to everyone and widely respected.

Lieutenant-Governor in 1926

When the railroad came to the Columbia valley the future was safe. What had originally been a barren wilderness, valued only for the minerals locked underground, became, under Bruce's direction and inspiration, a veritable garden spot and the lure for hundreds of enterprising ranchers.

But when, in 1926, Mr. Bruce was appointed Lieutenant-Governor of British Columbia he was still practically unknown outside his valley, except among a small circle of wealthy and influential Canadians, mostly in the East, whom he had befriended at one time or another. However, he soon established himself as a good host at Victoria. He brought his 2 charming young nieces from Scotland to act as chatelaines at Victoria and became a leading figure in the capital's society.

While in Great Britain, in 1912, for treatment of his eyesight, Bruce renewed acquaintance with an old friend, Lady Elizabeth Northcote, second daughter of the Earl and Countess of Iddlesleigh. They were married in 1913, and went back to live in the Columbia valley. Mrs. Bruce died in 1916. In 1932 he married Edith Badgley Molson, widow of R. B. Van Horne and only daughter of the late Dr. W. A. Molson, of Montreal.

In Last Election

In the last federal election Mr. Bruce was one of the opponents of Hon. H. H. Stevens in East Kootenay.

Mr. Bruce is a typical Scot with a vein of caution bordering his natural flair for adventure in new fields. He is not a dynamic type, but has a quiet forcefulness that has been a big factor in his success. He is a wealthy man and thus meets one of the most important qualifications of today's ambassadors, and he loves to play the part of generous host. Tokio will present a scene very different from the Columbia valley, but if the Bruce luck still holds it will be no less friendly.

Major Problem In Financing For Edmonton

View Municipal Situation Worse Than Calgary's

OUTLOOK BLEAK

BY STAFF REPORTER

EDMONTON, Alta. — Informed opinion here on the situation of municipal finances in Alberta is pretty well in agreement that Edmonton's problems are greater than Calgary's but that more stable administration has kept the capital city's record clean.

Payment of only half interest from June 1 by the provincial government makes the position of municipal bondholders more difficult because some municipalities feel justified in doing something similar.

Outlook Sombre

Normally it would be expected that the provincial government would see to it that municipalities keep out of default or give bondholders the best possible debt adjustment. Under present conditions no one cares to venture what the defaulting province will do about defaulting municipalities.

Responsible citizens fear that Edmonton may default. Mayor Clarke, of Edmonton, is of the interest-reducing school of thought now dominant. Important taxpayers oppose any default, but the forces they face may be too great to arrest.

In Calgary, civic financial policy is influenced by 4 Social Credit members and 3 Labor members of the council. Close students of the situation consider the city's financial position reasonably good except for the heavy unemployment relief load which is partly due to high rates for relief recipients.

Follow-the-Leader

Apart from Calgary and Edmonton, a few smaller municipalities are likely to seek reduction of interest rates on outstanding debentures, taking their cue from the provincial government's action. Informed opinion is that this follow-the-leader psychology will spread through Alberta and even farther unless municipalities are able to transfer more of their relief burdens to the federal government.

Municipal administration of relief in Alberta is criticized by business leaders as having been used for political purposes to such an extent that relief voters can swing elections.

The big question for investors is how will government authorities deal with major defaults? When default occurs, it is necessary for 25% of bondholders to apply to the Alberta Public Utility Commission for government supervision.

Halifax Cargo Tonnage Drops Off During May

From Our Own Correspondent

MONTREAL. — Cargo tonnage handled at the port of Halifax during May was smaller than that reported a year ago. Inward tonnage was 67,670, as against 97,226 for May, 1935. Outward tonnage at 66,224 tons, was about 6,600 tons less than a year ago.

"As Joan's temperature is normal, may she get up today, Doctor?" "Not yet. We want to avoid any possible later complications."

Prevent Serious After-effects

THE wise mother gets specific instructions from her doctor and observes them carefully. She takes no needless chances. Weakened hearts, kidneys, lungs, defective hearing or eyesight and other physical impairments may result from many diseases. They are frequently more to be dreaded than the original ailment.

Even a case of measles may be followed by serious consequences. Its many possible after-effects are the doctor's chief concern. Attacks of measles may lead to abscesses of the ear or pneumonia. The kidneys may also suffer from overstrain, developing unfortunate complications in later life. Or the eyes may be badly affected.

Do not let your child, when just recovering from scarlet fever, get up and be active until the doctor says it is safe. This is very important, because the heart and kidneys may be affected to some extent by scarlet fever. Careful nursing may be necessary after the child is apparently well.

Colds and whooping cough, too often lightly regarded, also require careful nursing. Bronchitis, pneumonia and even tuberculosis may follow such seemingly trivial ailments.

Tonsillitis is a distressing ailment which should never be ignored. Repeated attacks of tonsillitis may lead to heart trouble in later years. But as a rule, if the tonsils receive prompt attention, lasting damage is prevented.

Two or three months after your child recovers from illness, take him to the doctor for a health inventory to find out whether or not there are any later developments which require attention.

You are welcome to any one or all of these Metropolitan booklets: "Measles," "Scarlet Fever," "Whooping Cough," "Tonsils and Adenoids." Address Booklet Department 7-F-36

Keep Healthy—Be Examined Regularly

METROPOLITAN LIFE INSURANCE COMPANY
CANADIAN HEAD OFFICE—OTTAWA
FREDERICK H. ECKER, Chairman of the Board
LEROY A. LINCOLN, President

SERVING CANADA SINCE 1872

Ashcroft Likes Radio Bill, Would Close 5 Stations

"The new radio bill is a far-sighted piece of legislation, and reflects great credit on Mr. Howe and his associates on the Radio Committee. It plans for the building-up of a homogeneous broadcasting structure in Canada, through a blending of private effort and government co-operation." This is the view of R. W. Ashcroft, Toronto, who presented the Ashcroft plan some months ago for the study of the Dominion government, discussing Federal radio legislation with The Financial Post.

"While complete nationalization of radio in Canada is probably more remote than is television in the home, the objective of the new Corporation should be to foster that ideal, so that it may be readily accomplished if and when the moment is opportune.

Should Close Five Stations

"Where private enterprise can do, or is doing, a satisfactory job of broadcasting, they should be allowed to do so without government competition. There should be no need, for instance, for the new Corporation to operate stations at Vancouver, Windsor, Toronto, Ottawa, Montreal and Quebec, as has been the case for the past three years. At Chicoutimi and other remote or sparsely-settled points, government operation is indicated.

"Section 22 of the act provides that private stations shall, when required, broadcast programmes of the Corporation for which they will be compensated. This effectually obviates the operation of Corporation stations at points where private stations are available, and will result in the saving of a very substantial amount of money which can be used for the betterment of programmes.

"The funds available to the new Corporation are limited and should be devoted exclusively to the leasing of coast-to-coast transmission, the provision of a 16-hour-a-day programme service available to all stations, and the operation of stations at points where private enterprise is not available for the work.

"It should be clearly understood by privately-owned radio stations that the property-right in broadcasting channels vests absolutely in the government, and that a license to broadcast constitutes a privilege extended to them which embodies an obligation on their part to conduct their operations in the public interest, under the guidance of the governing body."

East Kootenay Power Prospects Are Outlined

From Our Own Correspondent

MONTREAL.—Routine business only was transacted at the annual meeting of East Kootenay Power Co.

In reply to the shareholders' question it was stated the company's revenues depend upon about a dozen coal mines and the Consolidated Mining's smelter at Kimberley. Two small towns in its territory buy power wholesale and there is little the company can do of its own volition to increase consumption. The coal mines depend upon the railways for substantially all their output and increase from such source will reflect itself in increased power demand from the mines.

Meeting August 6 For Milton Brick

National Trust Co. to Report — Seek Decisions on Policy

A meeting of holders of 6½% first mortgage bonds of Milton Brick Ltd. is to be held at Toronto, August 6, according to a notice by National Trust Co., trustee for the bondholders.

The meeting is called for the following purposes:

1. To receive a report of National Trust Co. on its administration of the assets.
2. To consider what steps shall be taken by bondholders in respect of payment of Bank of Nova Scotia advances on receiver's certificates; as to maintenance of the mortgaged premises and sale and realization on the assets; as to payment of fees, costs and expenses of National Trust Co. as receiver and manager; and as to reorganization of the business and undertaking.

National Trust Co., under an order from the Supreme Court of Ontario, recently offered the assets of the company for sale. No disposal was made of the assets, but the question will probably be discussed at the forthcoming meeting. Outstanding bonds amount to $260,200.

CRANE & CO. CHANGE TITLE

From Our Own Correspondent

MONTREAL.—Crane & Co., members of the Montreal Stock Exchange and other markets, announce a change in name to Crane & Lyall. Partners of the firm, F. E. Crane and William P. Lyall, remain unchanged.

Woven into the SOCIAL FABRIC OF CANADA

Like a strand, intricately woven, the Canada Permanent Mortgage Corporation is an integral part of the whole social fabric of Canada. For 81 years it has been a vital factor in community development throughout the Dominion. It has proved a dependable guardian of Savings, has promoted confidence and encouraged national thrift.

FOUNDED 1855

CANADA PERMANENT Mortgage Corporation
HEAD OFFICE: 320 BAY ST., TORONTO
ASSETS EXCEED $69,000,000

SEEK EUROPEAN MARKET

From Our Own Correspondent

MONTREAL.—Trial shipments of about 6,000 tons of New Brunswick pulpwood to continental European countries will be made this summer with a view to determining whether or not it is possible to establish permanent markets in such countries as Holland and Germany.

You'll like them— "EXPORT" CIGARETTES —everybody does.

Position of Chartered Banks of Canada as of May 30, 1936, Shown by Monthly Returns to Minister of Finance

LIABILITIES

NAME OF BANK	Notes in Circulation	Deposits by and Bal. Due to Dominion Government	Deposits by and Bal. Due to Provincial Governments	Advances from Bank of Canada	Demand Deposits in Canada	Savings Deposits in Canada	Deposits Elsewhere▲	Bal. Due to other banks in Canada	Due to Banks in U.K.	Due to Banks Elsewhere	Bills Payable	Letters of Credit outstanding	Other Liabilities	Dividends Declared and unpaid	Reserve Fund	Capital Paid Up	Total Liabilities
	$	$	$	$	$	$	$	$	$	$	$	$	$	$	$	$	$
Montreal	30,629,134	20,021,717	6,691,224	....	161,530,982	417,361,621	64,451,141	2,136,834	2,531,013	4,199,268	299,087	7,122,057	1,922,461	726,144	38,000,000	36,000,000	793,622,688
Nova Scotia	10,482,793	2,911,607	1,362,097	....	34,661,196	146,752,928	41,440,045	2,357,[illegible]	597,169	1,842,615	54,443	8,212,137	117,229	364,380	24,000,000	12,000,000	287,156,339
Toronto	5,143,755	4,310,653	1,799,018	....	25,249,395	74,671,412	782,897	520,017	460,513	1,732,363	225,281	2,046,122	....	150,548	9,000,000	6,000,000	132,091,978
Provinciale	3,587,293	147,735	33,120	....	5,384,277	35,854,178	157,799	....	....	64,443	....	30,027	3,017	63,785	1,000,000	4,000,000	50,325,676
Commerce	25,459,311	6,510,247	11,528,884	....	121,161,903	304,405,788	60,363,313	2,073,507	1,545,882	7,181,049	16,861	15,982,291	....	604,300	20,000,000	30,000,000	606,833,843
Royal	31,254,227	9,151,353	11,662,640	....	149,365,755	299,817,041	215,466,858	450,205	611,548	9,540,886	260,457	18,735,531	54,542	711,180	20,000,000	35,000,000	802,082,229
Dominion	6,132,869	1,789,092	1,014,333	....	27,351,727	69,928,247	3,770,189	1,914,048	220,845	664,336	....	3,080,410	242,601	175,912	7,000,000	7,000,000	130,284,615
Nationale	3,872,169	721,839	1,066,828	....	24,706,514	89,459,719	1,538,566	626,039	27,280	374,569	34,429	614,564	170,995	145,012	5,000,000	7,000,000	135,358,528
Imperial	6,487,710	3,877,975	3,410,463	....	27,210,372	85,117,261	119,505	718,136	726,146	1,247,779	....	1,091,726	....	3,180	8,000,000	7,000,000	145,010,256
Barclays (Canada)	322,170	87,076	68	....	1,675,911	3,547,501	2,714,570	42,307	3,113,413	1,591,434	....	1,096,713	....	....	750,000	1,500,000	16,441,167
Total	123,371,431	49,529,294	38,568,675	....	578,298,032	1,526,915,696	390,805,383	10,838,786	9,833,809	28,438,742	890,558	58,011,578	2,510,845	2,944,441	132,750,000	145,500,000	3,099,207,319

▲ Of this amount, $33,146,119 represents deposits in Canada in currencies other than Canadian, formerly carried under demand and savings deposits in Canada.

SUPPLEMENTARY INFORMATION

NAME OF BANK	Capital Authorised	Capital Subscribed	Last Dividend	*Loans to Directors and firms of which they are partners	Average Notes and deposits with Bank of Can.	Greatest amount of Notes in Circ.
	$	$	%	$	$	$
Montreal	50,000,000	36,000,000	8	987,954	72,595,188	31,911,670
Nova Scotia	15,000,000	12,000,000	12	2,091,475	17,822,351	10,948,709
Toronto	10,000,000	6,000,000	10	1,196,793	14,587,721	5,143,755
Provinciale	5,000,000	4,000,000	6	804,187	2,527,056	3,684,418
Commerce	50,000,000	30,000,000	8	3,851,279	41,918,883	26,198,104
Royal	50,000,000	35,000,000	8	1,736,256	48,177,884	33,272,509
Dominion	10,000,000	7,000,000	10	929,487	8,183,790	6,490,709
Nationale	10,000,000	7,000,000	8	311,139	8,430,063	4,369,769
Imperial	10,000,000	7,000,000	10	480,953	7,724,632	6,536,240
Barclays (Canada)	1,500,000	1,500,000	....	....	608,379	334,565
Total	211,500,000	145,500,000	....	12,389,523	222,575,947	128,884,130

* And loans for which they are guarantors.

ASSETS

NAME OF BANK	Gold and Subsidiary Coin Held in Canada	Gold and Subsidiary Coin Held Elsewhere	Notes of Bank of Canada	Deposits with Bank of Canada	Notes of Other Banks	Govt. and Bank Notes other than Canada	Cheques on other banks	Balances due from other banks in Canada	Due by banks in U.K.	Due by banks elsewhere	Govt. sec. short term	Govt. sec. long term	Canadian municipal securities	Public sec. other than Can.
	$	$	$	$	$	$	$	$	$	$	$	$	$	$
Montreal*	1,239,913	2,515,556	12,186,840	63,908,552	1,757,955	432,263	21,343,169	1,988	2,969,597	19,359,178	199,654,591	156,876,955	35,149,132	5,012,301
Nova Scotia	323,729	1,829,750	2,610,904	15,876,667	577,066	3,172,983	7,886,054	....	666,141	9,004,642	39,510,260	58,098,181	13,138,185	842,374
Toronto	193,049	....	1,184,553	15,637,897	380,495	60,980	4,952,435	....	1,379,597	2,923,145	5,747,167	42,994,113	4,247,905	37,548
Provinciale	189,298	....	776,447	1,606,799	234,945	37,918	1,537,784	1,106,632	6,780	75,958	2,445,676	8,817,548	9,551,161	....
Commerce†	792,516	242,180	3,542,932	37,785,937	1,092,390	987,328	14,020,104	17,545	710,450	14,219,738	84,898,320	125,615,549	10,289,401	27,663,609
Royal‡	1,361,039	6,694,579	5,036,625	37,724,354	1,610,894	18,111,802	20,098,321	535	18,304,175	31,510,320	117,407,097	114,011,648	8,720,276	13,815,632
Dominion	259,472	522	1,722,573	4,043,862	530,020	72,709	4,330,966	....	230,339	1,711,790	18,081,647	23,149,062	5,546,974	1,249,605
Nationale§	462,876	803	2,874,176	4,534,581	385,080	58,082	2,563,523	889,860	127,808	1,477,550	14,287,386	19,708,007	20,546,645	324,773
Imperial	353,223	....	4,280,261	3,132,603	498,460	57,943	5,254,865	619,955	623,494	1,661,733	10,057,021	34,888,967	4,620,509	....
Barclays (Can.)	2,089	....	67,265	818,896	7,275	4,741	206,909	1,926,512	3,076,298	1,183,418	1,363,996	3,552,817	133,399	....
Total	5,175,205	11,283,381	34,282,576	185,072,148	7,074,580	22,996,749	82,194,130	4,563,027	28,094,769	83,127,472	493,453,161	587,707,847	111,943,587	48,945,842

NAME OF BANK	Other bonds and stocks	Call loans in Canada	Call loans elsewhere	Current loans in Canada	Current loans elsewhere	Loans to provincial governments	Loans to municipalities	Non-current loans	Real estate other than premises	Mortgages on real estate	Bank Premises	Deposit for note circulation	Other assets	Total assets▲
	$	$	$	$	$	$	$	$	$	$	$	$	$	$
Montreal*	18,889,992	8,534,723	21,957,476	140,315,659	8,367,163	7,755,054	38,111,032	3,368,476	673,046	867,464	14,300,000	1,686,426	405,877	794,762,448
Nova Scotia	12,709,038	7,205,288	2,353,510	69,381,615	14,759,997	479,725	7,641,595	850,861	....	100,468	7,073,733	571,181	2,823,366	287,699,461
Toronto	2,121,608	3,880,423	....	35,931,744	....	....	4,968,887	255,838	....	33,263	3,543,855	335,033	....	132,855,666
Provinciale	3,403,949	4,388,090	....	11,614,223	....	....	1,221,964	122,509	675,719	353,491	2,092,857	200,000	113,018	50,602,803
Commerce†	23,861,308	22,036,406	16,744,361	130,301,115	16,731,284	6,975,636	25,253,887	3,865,795	2,646,569	1,636,081	14,330,142	1,275,000	4,130,182	607,637,970
Royal‡	28,437,438	19,490,960	12,780,349	185,586,278	104,413,274	495,668	10,504,221	3,908,947	2,970,046	830,618	15,863,949	1,600,000	4,779,206	804,803,795
Dominion	3,846,010	8,473,646	4,487,240	42,159,332	357,957	....	687,235	380,620	85,125	41,642	5,848,101	347,624	195,677	130,870,175
Nationale§	9,347,104	5,444,503	....	31,532,152	61,454	3,044,098	8,455,845	339,893	1,504,244	409,949	6,103,319	380,506	220,090	135,693,975
Imperial	520,135	6,625,271	....	51,515,613	....	5,700,498	6,955,367	487,190	264,380	405,566	6,000,956	477,391	121,920	146,215,056
Barclays (Can.)	4,975	1,088,685	....	1,436,400	....	....	....	11,268	....	....	450,000	16,696	....	16,448,360
Total	103,141,557	87,167,995	58,322,936	699,774,131	144,691,129	24,450,679	103,750,033	13,591,397	8,819,129	4,678,542	75,606,912	6,889,857	12,779,336	3,107,589,701

* The business of the Bank in Paris, France, and in San Francisco, U.S.A., is carried on under the name of local incorporated companies and the figures are incorporated in the above statement.—Footnote to Bank of Montreal return.

† The Canadian Bank of Commerce (California) has been incorporated under the laws of the State of California to conduct the business of the Bank in that State and the assets and liabilities of the Canadian Bank of Commerce (California) are included in the above general statement.—Footnote to Canadian Bank of Commerce return.

‡ The Royal Bank of Canada (France) has been incorporated under the laws of France to conduct the business of the bank in Paris, and the assets and liabilities of the Royal Bank of Canada (France) are included in the above general statement.—Footnote to Royal Bank return.

§ The assets and liabilities of the Banque Canadienne Nationale, France, same being considered a branch operating as a subsidiary of the Banque Canadienne Nationale, are included in above return. — Footnote to Banque Canadienne Nationale return.

▲ Total assets include $58,011,578 letters of credit outstanding as shown in liabilities.

Your Investments

What We Do:

1. Give information on Canadian securities to Financial Post subscribers.
2. Publish anonymously letters of general interest.
3. Supply facts rather than opinions.

What We Don't Do:

1. Answer enquiries of non-subscribers.
2. Answer enquiries on foreign securities.
3. Reply by telephone or telegraph.
4. Select lists of securities; express opinions; or make forecasts.

Three-cent stamp must be enclosed. Address The Financial Post, 481 University Ave., Toronto.

Donnacona Paper

A customer has in mind investing in the new issue of Donnacona Pulp and Paper Co. We understand the new issues are 5½% bonds also A stock and B stock. We would be glad if you would let us have a report on this company's outlook.

Donnacona Paper bonds are currently bid at 82½. This price includes the 20 shares offered under the reorganization, but is exclusive of the 18 shares offered under the first reorganization plan. The stock is bid around 7. Operating profits of the company last year were not especially satisfactory, but the outlook for the company has undergone a considerable improvement since that time. The demand for newsprint paper has increased and the chances are that the manufacturers will be able to secure a better price on shipments to the United States and Canadian publishers during the 1937 season.

Imperial Oil

In March last I purchased 25 shares of Imperial Oil at $23 3/8 and am surprised to find it gradually falling in price, selling down to $20 7/8 recently. Is there any reason for this slump? The stock was purchased as an investment and not as a speculation.

Fluctuations such as you refer to are to be expected, and do not affect the long term prospects of the stock. No doubt you have noticed that Imperial Oil has recovered slightly since you wrote. You state that you purchased the stock as an investment and not as a speculation. Its present price indicates that investors have a high regard for this stock. The old rule of thumb principle for buying stocks of well-run companies with fair possibilities was not to pay more than 10 times earnings. Ten times earnings of Imperial Oil in 1935 would be less than half the lowest market quotation during the current year.

Imperial Oil earned 94 cents a share in 1935, but that included dividends of International Petroleum. International Petroleum dividends of $2.50 a share were represented by earnings of nearly $1.50 a share and $1 bonus from its very large liquid resources.

It is important to note that Imperial Oil pays 50 cents a share regular dividend, and that may be regarded as safe, and 75 cents a share bonus dividend. Executives hope that earnings in the future will enable the company to maintain dividends as at present. If their expectations in this regard are realized, the stock of the company will probably command a much higher price.

It is too soon to know just what effect on the earnings of Canadian oil companies will result from the reduction in duties on gasoline. So far, it is believed the companies have not been greatly affected, as the difference in the gasoline price structure of Canada and the United States is now no more than the freight differential would account for. If the crude oil and gasoline price situation in the United States were once more to be disorganized, it would have a bad effect on Canada. However, it seems to be better in hand than at any time since 1932.

Can. Investment Fund

Will you kindly let me have some information on Canadian Investment Fund?

Canadian Investment Fund is an investment trust organized by Calvin Bullock, New York, for investment of funds primarily in Canadian securities. The investments of the company consist of substantial holdings in a comparatively small, but select, group of Canadian securities, most of which are common shares. The company's board of directors is of high quality, and the management of the trust is largely in the hands of Calvin Bullock, an organization which has had considerable experience in this type of work.

Because they are in the distributive stage, shares are not available much below actual liquidating value of the securities in the portfolio. This trust was formed at the bottom of the depression and has had a good start. The dividend of 14 cents a share returns a moderate yield. In 1935 the trust had an income from all sources of $139,411, which was more than sufficient to cover expenses, taxes and dividends.

The balance sheet shows total assets, with securities carried at market quotations, of $3.6 millions. This compares with $2.5 millions at the end of 1934. Securities carried at a cost of $2.7 millions, on December 31 last had a market value of nearly $3.4 millions. During 1935 there was a net increase of 22% in the outstanding shares, which now total 907,953.

Brandram-Henderson

We hold $1,500 consolidated bond of Brandram-Henderson Co. Can you tell me if this security is regarded as a good investment?

Brandram-Henderson consolidated or new income bonds are still a semi-speculative security. This is only natural as the company has not been able to earn bond interest charges. However, under the reorganization plan, which was adopted by the bondholders a short time ago, the position of the senior security holders would appear to be strengthened.

Lake St. John

Please let me have a report on the Lake St. John Power and Paper debentures. I would like to know what progress the company is making this year.

There has been a widespread interest in newsprint securities in recent months and as a consequence the value of the senior securities has appreciated substantially. Lake St. John debentures are now bid around 72-3, which represents a considerable rise in value from that prevailing a few weeks ago. This advance, aside from the speculative interest, has been due to the improved position of the company, both from the point of view of operations and earnings. It is understood the company is operating at capacity and that income currently is sufficient to cover all interest charges and depreciation. There is no information from the management of a payment of interest on the debentures.

Regina Bonds

A client of mine who owns Dominion of Canada 4½% bonds due Nov. 1, 1959, is considering exchanging these for Regina 5% bonds due July 1, 1944. As the Dominion bonds are selling at 111 and the Regina bonds at between 70 and 80 the exchange appears attractive. However, he is not in such circumstances that he can afford to invest in anything that is not reasonably safe. What are the prospects of Regina being able to meet its maturities and what do you think of the exchange?

While exchange of Dominion of Canada 4½% bonds due Nov. 1, 1935, for city of Regina 5% due July 1, 1944, may appear attractive because of the low price of Regina bonds, there is, none the less, considerable risk involved. The very fact that Regina bonds are selling at a substantial discount indicates that the market feels that they are not a safe investment. Since your client cannot afford to invest in anything that is not reasonably safe, the proposed exchange would appear to be of doubtful merit.

While it is possible that Regina could pull through with sound management, there are a number of other factors to be taken into consideration. The entire western municipal picture at the present time is none too bright, and it is possible that serious problems may arise. The grave danger, of course, is that proposals for conversion of debenture debts will spread. While these have been largely confined to the province of Alberta, it is considered probable that the proposals will spread to other parts of the West. Recently a proposal was made in the Regina city council to reduce debenture interest.

Candn. Gen. Investments

Do you think that Canadian General Investment Trust shares are a good investment for a period of recovery?

Canadian General Investment Trust shares have definite attractions for a period of recovery. Also a yield of 5% is obtainable on the shares, and there may be appreciation in the value of its shares as business improves. Recently, earnings have shown further improvement, and we are informed that consideration may be given to increasing the dividend. Another favorable factor is that the break-up value of the portfolio is nearly $12 a share, whereas the stock has been selling at approximately $8 a share between unlisted security dealers. This means that for $8 you get a proportionate interest in about $12 of good securities held in this investment trust's portfolio. The management and directorate of the trust include the Rt. Hon. Arthur Meighen, C. H. Carlisle, and similar men of prominence.

Western Grocers

Do you consider Western Grocers preferred stock a sound investment?

As is indicated by the price of the shares, Western Grocers preferred is regarded as a quality investment, and this opinion is borne out by the record of the company. Preferred dividends were paid regularly during the depression, and were earned in every year except 1931 when earnings amounted to $6.55 a share, compared with dividend requirements of $7 a share. Earnings in 1935 were more than double dividend requirements.

Bonded Corp.

I would appreciate your sending me any available information regarding Bonded Corp. of Toronto.

Bonded Corporation of Montreal and Toronto until recently sold trust certificates based on oil royalties in the southern states. It is now attempting to liquidate that trust, and is selling stock in Hightower Refining Co. Holders of the previous trust certificates are being asked to exchange their certificates for the units of preferred and common shares of Hightower.

No public statement of the financial position or earnings of Hightower has yet been made, and though dividends are being paid, the stock is not listed and it is difficult for an investor to know where he stands. Hightower is a Canadian company with all its assets and operations in Texas.

Cockshutt Plow

Can you give me some idea of the present position and prospects of Cockshutt Plow Co.?

Sales of Cockshutt Plow Co. for 1935 gained 42% over 1934, but are still below normal. There is also room for decided improvement in collection of accounts.

There is no immediate prospect of a resumption of dividends. There are no securities senior to the common shares, and the company still shows a surplus in the balance sheet. Therefore, as earnings increase, there is no restriction in the way of dividend payments.

It is understood that the improvement of 1935 is continuing in 1936. As farm purchasing power improves, the revenue of the company should increase. However, in appraising the future outlook the president recently stated that the Canada-U.S. trade agreement is an adverse factor. Working capital position is fairly strong though cash is low and the principal items are $3 millions for receivables and $2.2 millions for inventories. Current liabilities include matured bank loans of $1.6 million. The bank, therefore, is helping to furnish the working capital requirements.

Ottawa Power

As a subscriber, I would appreciate having an opinion on the common stock of Ottawa Light, Heat and Power Co.

Ottawa Light, Heat and Power Co. has a good record of earnings and stability of operations. While the company is in competition with the municipally-owned system, it has managed to hold its own. There has been little change in revenues of late. During the last few years, the $6 dividend has not been quite earned, it being necessary for the company to make a small appropriation from reserves to cover payment.

Canada-America Trust

I am thinking of purchasing Canada-America Trust shares and would like a report on this company. Do you think it a good purchase at present prices?

Canada-America Trust shares constitute proportionate investment in shares of 30 of the leading service, manufacturing and transportation industries of Canada and the United States. This is a fixed investment trust. Four shares of each of 6 large Canadian corporations, and 24 American corporations, are purchased and held as the real security for issue of Canada-America Trust Shares. Each of the Canada-America shares, therefore, represents a proportionate interest in this group of 30 stocks. The actual common stocks are held by Royal Trust Co., as trustee for holders of the Canada-America shares.

What you would be buying, therefore, would be a proportionate interest in securities of large corporations, constituting a diversified investment in continuation of recovery in North America. The price of Canada-America Trust shares is determined upon the actual market values of the 30 securities held behind the investment trust's own shares. It is probably a fair price to pay, but in such fixed trusts, you should remember that there is sometimes a loss of marketability. The dividend was 6 cents a share on Canada-America Trust shares for the first 6 months of 1936 so that at the price of over $4 a share the yield is somewhat less than 3%.

B. C. Pulp

We would appreciate information on business of British Columbia Pulp and Paper Co.

British Columbia Pulp and Paper Co. reported sharply lower earnings in 1935 after the previous 2 years of improvement. Price reductions, tariffs and trade difficulties with the Orient, and a dislocation of shipping facilities from Vancouver, made it necessary for the company to seek new customers, and were the main factors contributing to the poor year. The changes to less natural markets made necessary in 1935 by unfavorable conditions were, to some extent, reflected in results for the early part of 1936, but somewhat better conditions are anticipated during the remainder of the year.

Colonial Investment

I hold 13 shares of permanent preferred stock of Colonial Investment and Loan Co. I purchased these at $10 a share in 1922. Have any payments ever been made by the liquidator and are the shares of any value at the present time.

Colonial Investment and Loan Co. went into voluntary liquidation in April, 1928, and the Imperial Trust Co., Toronto, was appointed permanent liquidator. The company formerly carried on the business of a mortgage company, the majority of its loans being made in western Canada.

At the time of going into liquidation, the company had outstanding $320,000 in permanent preference stock, par value $10, and a private holding of common or ordinary stock. Since that time, 3 payments have been made on the preference stock totalling $5 a share; $2 a share being paid in July, 1929; $1 a share in June, 1930; and $2 in 1931. It is considered probable that a further payment of $1 a share will be made, but this cannot be expected for some time.

The Woman Investor

Investment Trusts

WOMEN who seek to profit from the wisdom of successful financiers and businessmen, and at the same time diversify their own investment holdings, are giving close attention to the Canadian investment trusts.

For women, investment trusts have particular advantages. Through ownership of investment trust securities women automatically secure an interest in a long list of bonds, preferred and common stocks.

There are several strong, well-managed and successful investment trusts in Canada. In more than one case, the value of the trust's portfolio has risen appreciably and the equity of its own securities correspondingly increased. Earnings are naturally dependent upon interest and dividend income, and the fact that many companies have resumed dividend payments or even increased existing dividends in the last 2 years has meant much to the investment trusts holding their shares.

The secret of successful investment in Canadian investment trusts lies largely in knowledge of the calibre of the management. Women who may not be equipped to make major decisions of their own can, however, secure the benefit of decisions made by astute and successful men who serve on investment trust boards, and who have benefitted from some unfavorable results in the depression period.

Intelligent choice of an investment trust depends, however, on whether its record is favorable in connection with past earnings, portfolio values both current and cost, and the standing of the men who control its operations and select its holdings.

If a woman investor can satisfy herself on these points, she has solved the most difficult aspect of investing in scores of highly diversified Canadian securities with a minimum of risk and with possibilities for sharing in further recovery of Canadian business and industry.

STOCKS LISTED AND UNLISTED BONDS

Hambly, Peaker & Trent

Members
THE TORONTO STOCK EXCHANGE

613 DOMINION BANK BUILDING
TORONTO
Elgin 3294

Rackets

Shearing the Shorn

MINING racketeers are not confined to those who "salt" mining claims with high-grade ore for promotion purposes.

Far more numerous are the gentlemen who would not recognize a gold mine if they saw one, but who take a lively interest in flim-flamming holders of mining companies' shares.

From Montreal recently came word of an enterprising racketeer who secured a shareholders' list containing the names of those who had bought stock in a mining concern which is now inactive. Its stock has no recognized market and the prospects for the company are doubtful at best.

Approached by the racketeer who described himself as a representative of the mining concern, a delighted holder of the stock was informed that the company would shortly resume operations, following exchange of its stock for that of a subsidiary newly formed to carry on development work.

• • •

For Tax Stamps

THE victim held a large block of stock, and as part of the "exchange" for shares of the subsidiary it was necessary, he was told, to pay for "tax stamps and other costs."

The victim paid $29.50, according to investigations subsequently made by Montreal agencies, and while the sum was not large, no estimate has yet been made of the amounts which may have been collected from other shareholders who believed the tale of a share exchange.

The racketeer, who used a non-existent Montreal address, is still being sought.

Montreal Sales Tax Levy Brings in $3.5 Millions

From Our Own Correspondent

MONTREAL.—Sales tax revenue collected by the city of Montreal for the year ended April 30 last was in the neighborhood of $3.5 millions, according to a statement issued by L. F. Philie, Director of Finance.

The city has forwarded to the Metropolitan Commission of Montreal a cheque for over $600,000, representing the share of 10 of the 14 suburban municipalities of the Island of Montreal in the Island-wide 2% sales tax collected by the city of Montreal since May 1, 1935.

Receive $5 Per Head

The amount distributed was on a per capita basis, the indications being that each of the following municipalities would receive about $5 per head:

Westmount, Outremont.
Verdun, Montreal East.
Montreal West, Town of Mount Royal.
St. Laurent, Pointe aux Trembles.
Montreal North, St. Michel de Laval.

Four municipalities which successfully opposed the island sales tax levy will receive nothing. They are:

Hampstead, Lachine.
Ville St. Pierre, Villa LaSalle.

The city of Montreal received a net amount in excess of $3 millions. This is about $1 million less than was estimated when the sales tax levy was originally proposed. At that time it was believed the tax would bring in an annual revenue of approximately $5.2 millions.

Pressed Metals Outlook Brighter

Earnings Rising and New Business Already Seen for 1937

J. W. Leighton, president of Pressed Metals of America, in a letter to shareholders, states that operations for the first quarter of 1936 showed net profits of 86 cents a share on the outstanding stock. "Earnings for the second quarter should show a corresponding increase," he adds, "since sales for the second quarter will be over 35 per cent greater than those for the first quarter."

Major automobile manufacturers, such as General Motors, Chrysler, Studebaker, Hudson, and others, plan to use the same Pressed Metals products for 1937 as are now being used, it is stated. "In addition," says Mr. Leighton, "the following products of our manufacture, which represent new business for the company, have been released for 1937 models:

New Business

"Packard—spring shackles; Pontiac, Buick, Chrysler, DeSoto—independent wheel suspension parts; Plymouth—support arm; Oldsmobile—jack lift extension.

"Your company should, therefore, continue to enjoy prosperity on an increased scale for 1937," Mr. Leighton comments, "and, should car sales increase according to the increased manufacturing capacity being prepared by our customers, the company may enjoy exceptional prosperity."

The company's earnings have recovered sharply, accompanying recovery in the automobile industry and increased sales of cars. Earnings in 1929 were the equivalent of $1.04 a share, and then there were 3 years in which no earnings were made. In 1933, earnings were 28 cents a share, rising to 36 cents a share in 1934 and jumping to $1.60 a share in 1935. Dividends have been increased with earnings, and 87½ cents a share has already been paid in 1936.

Montreal Stock Trading Gains Heavily Over 1935

From Our Own Correspondent

MONTREAL. — Transactions on the Montreal Stock Exchange and the Montreal Curb Market in June were just short of 5.3 million shares, a decrease of 2.5 million shares from the previous month, but an increase of 3.5 million shares over June, 1935.

The seasonal decline experienced during June was due to the smaller turnover in mining stocks,

Greenshields & Co

Members Montreal Stock Exchange
Montreal Curb Market

507 Place d'Armes, Montreal

TORONTO OTTAWA QUEBEC SHERBROOKE

57

THE ONTARIO LOAN AND DEBENTURE CO
LONDON, CANADA
Established 1870

DEPOSITS ACCEPTED DEBENTURES ISSUED
Mortgage loans on owners' homes at low rates of interest
Capital (Fully Paid), $2,000,000 Reserve Fund, $2,400,000

The WESTERN SAVINGS and LOAN ASSOCIATION
HEAD OFFICE: WINNIPEG, MANITOBA

AGENCIES
EQUITABLE LTD., Calgary, Alberta
BUTLER BYERS BROS. LTD., Saskatoon, Sask.
McCALLUM-HILL AND COMPANY, LIMITED, Regina, Sask.
J. K. RINGLAND & COMPANY, LIMITED, Herald Building, Lethbridge

MONEY BACK *if not Satisfied*

Pandora CIGARS

Buy a box of 10 . . .
Smoke Three

. . . if they do not satisfy you, return the original box with the remaining seven to us any time before September 1st, 1936, and we will refund to you the full purchase price.

Astor 10c.
Panetela 10c.
Natural 2–25c.
Select 15c.

H. SIMON & SONS LIMITED
MONTREAL, P.Q.
Quality Cigar Makers for 60 Years

CANADIAN SECURITIES

Dominion and Provincial
Government Bonds
Municipal Bonds
Public Utility
and
Industrial Financing

DOMINION SECURITIES
CORPORATION LIMITED
TORONTO MONTREAL WINNIPEG VANCOUVER NEW YORK LONDON, ENG.
15 King Street West, Toronto

MAKE SURE ABOUT YOUR WILL—In order to ensure the faithful administration of the provisions of your will, appoint a responsible, permanent and thoroughly experienced Executor, such as this Company.

CAPITAL TRUST
Corporation Limited
MONTREAL OTTAWA TORONTO

DEFAULTED BONDS

In our opinion, defaulted bonds offer definite attractions for capital appreciation in a period of recovery or inflation. In this respect they are similar to common stocks and in addition offer greater security of principal. We advise the purchase of the following:

Abitibi Power and Paper	5s	1953
Canada Biscuit	6½s	1946
Consolidated Paper	5½s	1961
Donnacona Paper	5½s	1956
Great Lakes Paper	6s	1950
Lake St. John Paper	6½s	1942
Windsor-Essex and Lake Shore	6s	1959

Certain Municipal and Real Estate Bonds can also be purchased at attractive prices.

Write or Phone for Circular. *Quotations on Request.*

R. F. WALKER & COMPANY
WA. 1163 LISTED and UNLISTED SECURITIES 11 King St. W., Toronto

New Extra Rider Strip
2 Extra Cord Plies Under the Tread
Gum-Dipped Cords 58% Stronger
Scientifically Designed Safety Tread

PROOF OF PERFORMANCE
is Proof of Safety

Firestone
GUM-DIPPED TIRES
have proven themselves for 17 Consecutive Years in the WORLD'S GREATEST TIRE TEST

Louis Meyer, driving on Firestone Tires, won the recent annual Indianapolis 500-mile auto race, at an average speed of 109 miles an hour, breaking all track records without trouble of any kind. This is the 17th consecutive year Firestone Tires have been on the winning car.

No tires except Firestone Gum-Dipped Tires could have resisted the terrific punishment of these 500 miles over a hot, rough, brick track—equal to 40,000 miles of ordinary driving. What a remarkable demonstration of the tire endurance and reserve Safety beyond the requirements of any car owner!

Wherever you drive this summer, be sure your family will be safe. Equip your car with Firestone Tires, the safest built—they cost no more. See the nearest Firestone Dealer now.

DRIVE-SAFELY

Don't be a "one-eyed" driver. An oncoming car does not know on which side your light is—the result may be a sideswipe.

USE CARE, COMMON SENSE AND

Firestone
Safest tires ever built HIGH SPEED TIRES

Investing for the Next Five Years

Peculiar Conditions Lend Charms To Equity Types of Investments

Every investor's problem is different, even if only because of personal circumstances and responsibilities.

These alone make it impossible to concoct an investment panacea that will meet every requirement.

Taking the major possibilities of the next 5 years into consideration, the following general rules are suggested:

1. Holdings of select government and corporation bonds are essential for those who require liquidity of principal.
2. Chances for appreciation in value lie chiefly in riskier preferred and common shares, or in bonds that remain depreciated.
3. In view of recovery possibilities it is justifiable to hold a larger than normal proportion of equity securities: common shares, participating or convertible securities, or depreciated issues.

Watch Developments

Every investor, no matter what his circumstances, will have to keep a close eye on his holdings in the coming 5 years, in order to protect, or to improve, his position. This applies even to holders of government bonds, and particularly to those who venture their funds in riskier securities.

Undoubtedly there will be pronounced changes in the business and investment picture in 5 years. That much can be predicted, even if precise changes cannot be forecast accurately.

Case Problems

Few investors are in a more difficult position today than those who must have safety of principal first and foremost, and who find their essential income shrinking through reduction of interest rates.

In the past, these safety-first investors have been able to get satisfactory income in government bonds. Now they are tempted to sell government bond holdings at high prices or to refrain from buying low-yielding government issues.

The problem of this class is to maintain or increase income without undue risks with the idea of guarding against a possible rise in the cost of living and against a possible recession in government bonds.

The problem can be solved only by some increase in risk or by depletion of capital. A partial solution for older investors is to buy annuities, which, by gradual depletion of capital, can increase the dollar income. Another partial solution is to buy high quality bonds carrying a conversion privilege, such as C.P.R. 3½'s of 1951. Because there is felt to be greater risk in such corporation bonds than in government securities, an increase in yield is possible. Also, if conditions arise that cause a gradual fall of government bonds there would still be possibilities that the conversion feature in bonds such as the C.P.R. issue would increase value.

It should be noted that Type B bonds tabulated herewith may prove more hazardous than some preferred and common shares.

Taking Risks

The safety-first investor may find it necessary and advisable to hold a few preferred shares of the noncallable, participating or convertible Type A listed in the accompanying table. As a means of protection against inflationary influence, even the safety-first investor should consider investment trust shares. It must be remembered, however, that these riskier securities should not form the major holding. In holding mostly bonds, annuities and senior securities, the point for the safety-first investor is that the least hazardous method of taking advantage of improving economic conditions is to acquire safe, but participating, securities in modest amount.

Safety Division

In a typical case of this kind, a widow with $50,000 her sole source of income, investment might be apportioned: $20,000 in annuities, $15,000 in government securities, $5,000 each in high quality corporation bonds and preferred shares, and possibly $5,000 in conservative equity securities. Income averaging above 4%, or well over $2,000 a year, should be obtainable readily by such a division of funds.

It is highly important for this safety-first type of investor to realize on any capital profits prior to the coming of another depression. The time will come again when every cent should be in gilt-edged securities or cash.

Business Man's Case

Another typical investor type is the businessman or retired family man. The capital invested or available for investment would vary from $50,000 upward, exclusive of essential insurance and real estate assets. Greater conservatism is necessary for the man who has retired than for the man who is still making a substantial income in the business world.

In a case of this kind, it may be satisfactory to divide the investment at present prices approximately as follows:

Division of Funds

Senior Issues:		Equity shares	
Bonds, type A	20%	Com., type A	20%
Bonds, type B	10%	Com., type B	10%
Pref. type A	20%	Com., type C	5%
Pref. type B	10%	Com., type D	5%
	60%		40%

It is exceedingly important to bear in mind that the price of the securities determines the relative attractions. The sharp rise of government bonds in the past 3 years makes them relatively less attractive in comparison with inferior bonds and preferred shares that remain heavily depressed. If and when the depressed Type B bonds and preferred shares rise, their relative attractions will diminish. Then may come the time to return funds to higher quality bonds.

Business Investments

Despite all the possibilities of political unrest inflationary influences and financial disturbances, the problem of business investments in the next 5 years can be expected to remain one of liquidity. The corporation that holds funds for ultimate investment in plant or other expenditure must accept lower yields on government securities as inevitable. Such securities must continue to constitute a major part of marketable investments.

The reason for this is that the corporation invariably has a heavy equity investment in plant, real property, inventory and similar assets. There is no satisfactory substitute for the liquidity of government securities, preferably of short maturity in the balance sheet. It is always possible to raise cash on such securities by borrowing or they can be sold quickly In some private corporations it may be justifiable to place some funds in inferior grade or equity securities where the investment really consists of the undistributed funds of the partners rather than a purely business investment.

Young Investor's Problem

One regrettable feature of exceedingly low yields on government bonds is that such securities do not now satisfy the younger investor who aims at accumulation of funds for his support later in life. Life insurance and installment purchases of annuities, of course, form the most popular systematic investment for younger people. For the economic health of the community this should continue to be so, even though the returns from such investments are tending to decline.

One of the tenets of sound banking is to keep assets in a form to offset the liabilities. The same principle should be applied in the investments of the younger investor. Even after insurance is bought, it is advisable in most cases to carry liquid securities to provide protection against the actual or contingent liabilities of unemployment, illness, marriage, education and so on.

Once the essentials have been covered, the younger investor who can save a surplus from income will probably do best in the next 5 years in the riskier types of bonds and preferred shares tabulated herewith. Purchase of riskier types of common shares should be made with caution, since there is enough risk even in the higher quality common stocks And the buyer of the more speculative types of securities must be constantly on the watch for necessary changes in his holdings.

Estates and Families

Family and estate investments are usually subject to restrictions, so that the possibilities of investing to obtain elasticity and protection against the peculiar risks of the current period are limited.

In holdings of revenue-producing real estate, family and estate funds usually have some protection against a rising cost of living. It should be noted, however, that leases should be kept to fairly short term, so that if and when rentals stiffen higher revenues may be obtained.

In cases where the total fund is large and a major portion is already in gilt-edged securities it seems advisable under present circumstances to refrain from converting what few equity investments may remain into more gilt-edged bonds. There is comparatively little risk in retaining the minor equity holding, yet it does allow some opportunity to realize upon possible improved business conditions, which would be impossible if all the funds were in gilt-edged issues.

Aims of Policy

The experienced investment adviser is one of the first to realize the danger of suggesting lesser securities rather than gilt-edged government bonds or high quality corporation bonds. Yet present circumstances — the inflationary monetary set-up in North America, and the recovery movement—have led all but the most conservative counsellors to lean further toward equity investments than usual. They do so, however, only with the intention of protecting the investor's capital against depreciation of money, with the idea of returning profits to high quality bonds later.

The trouble with these good intentions is that when prices for inferior securities are zooming upward, it is most difficult for people to decide to sell and get into something stable. And, of course, it is still worse if all calculations fail and they do not zoom upward at all. The unforeseen can always occur.

Liquidity With Equities

But some chance must be taken. Generally speaking, the aim of the investor who wants to cash in on the possible profits of the next 5 years should be to keep some liquid bonds and to get an equity interest at a minimum of risk. This can be done by holding in the bond portfolio and among preferred shares, securities with the dual advantages mentioned in these articles: stable income with possibility of increases in payments or in value. It can also be done without too great a risk by purchasing depreciated bonds and preferred shares. Finally, there are common share equities including investment trust issues.

The major consideration in formulating immediate investment policy is that North America is coming back, but that it has a long way to go to reach a full recovery. This prospect points to increased income and higher values for the various equity-type investments, whether they take the form of bonds or preferred or common shares.

Between 1936 and 1941, there may be temporary business recessions of minor character. By 1941, however, full prosperity may have returned to Canada, and another important depression may be in the making or even in sight.

One of the best single barometers of business conditions should be the level of interest rates. If a gradual decline of government bonds were to develop, which is the same as rising interest rates, it would probably indicate increasing prosperity. Finally, if pressure of borrowing were to accentuate a rise of interest rates, this might well be the handwriting on the wall, foretelling completion of a recovery movement, and, eventually, forerunning another depression. If and when that time comes, the best investment for nearly everyone will be government securities of the highest quality.

This is the 10th and last of a series of articles on "Investing For The Next Five Years."

Securities by Groups

Some of the securities that have been discussed in this series of articles are grouped here in accordance with risk, yield and liquidity, as a guide to relative investment standing.

Bonds, for instance, are grouped as Type A so as to give variety and reasonable yield on the investment, without incurring undue risk. Type B bonds are distinctly riskier, but have possibilities of improvement. Preferred shares are similarly grouped.

It will be noted that the better quality common shares offer small yields and may therefore not have the same proportionate possibilities of appreciation in a period of economic recovery as riskier preferred shares or more speculative common stocks.

Bonds: Type A

	Price %	Y'ld. %	Times Int. earned
C. N. R. 3's '45-'50	100	3.0	..
C. P. R. 3½'s '51	97	3.7	1.3
Union Gas 4½'s '51	98	4.7	3.1
Gatineau 5's '56	100	5.0	1.5

Bonds: Type B

	Price %	Y'ld. %	Times Int. earned
Burns & Co. inc. 5's '58	70	7.1	2.1
Dom. Square 6's '48	55	irreg.	0.7
Windsor to be 3½'s	65	5.4	..
Maple Leaf 2¾-5½ '49	53	5.2	0.1

Preferreds: Type A

	Price %	Y'ld. %	Times Int. earned
*Canadian Oil 8%	130	6.2	1.5
McColl-Frontenac 6%	104	5.8	2.6
*Moore Corp. 7%	160	4.4	2.6
*S. Can. Power 6%	99	6.1	1.7
*Robt. Simpson 6%	115	5.2	2.8

*Non-callable.

Preferreds: Type B

	Price $	Arrears $	Earn. $	Wk. cap. $
Dom'n Tar 7%	80	26.00	4.37	40.03
Ham. Bridge 6½%	39	24.38	...	24.59
Massey-H. 5%	34	27.50	...	134.06
N. Sewer P. $2.4	17	6.00	...	32.88
W. Can. Flour 6½%	45	16.00	...	28.53

Common: Type A

	Price $	Yield %
B. A. Oil	26	3.2
Canada Packers	85	3.5
Cons. Smelters	55	2.4
Dominion Bridge	38	3.2
Imperial Tobacco	14	3.8
Int. Nickel	50	2.4
Int. Petroleum	37	6.7
Laura Secord	69	4.3
Loblaw, A	21	4.8
Nat. Breweries	44	4.5
Noranda	60	3.7
Steel of Canada	65	2.7

Common: Type B

	Price $	Yield %
Can. Celanese	29	5.6
Can. Gen. Invests.	8	5.0
Econ. Invest. Trust	24	3.7
Ford of Canada, A	20	3.6
Hinde & Dauch	13	3.9
Union Gas	12	3.4

Common: Type C

	Price $		Price $
Beattie Bros., A	10	Little Long L.	6¼
Can. Wire & C.	27	Robt. Mitchell.	6¼
Foundation Co.	14	Sherwin-Wms.	16

Common: Type D

	Price $		Price $
Brazilian	12	Cockshutt Plow	7¼
Dom. Stores	9	Gypsum, Lime	6¼

Plus Values in
INSULATION
DONNACONA
INSULATING PRODUCTS

Ask your local dealer for particulars and folders or write to us direct

ALEXANDER MURRAY & CO. LIMITED
Montreal Toronto Halifax Saint John Winnipeg Vancouver

D-11-36

SUPERTEST — serviced cars last longer!

SUPERTEST

Supertest Petroleum Corporation, Limited
"Canada's All-Canadian Company"
Merchandising Supertest "WONDER" Gasoline and Supertest "GOLD STANDARD" Motor Oil

Announcing
THE NEW "SPECIAL DE LUXE"
FORD V-8

The constant purpose of the Ford Motor Company is to improve its product and pass those improvements along to purchasers in the form of increased *value.*

Latest proof of Ford *value* is the "Special de Luxe" V-8. Many of its appointments are newly designed. Others are added for the first time. So luxury keeps pace with performance.

Outside, there are double windshield wipers, gleaming chrome bands around the hub caps, and a graceful greyhound poised on the radiator. Three smart new colours are available —Stonington Grey, Armory Green and Light Fast Maroon—with new, special 3-line striping.

Inside, the upholstery has been richly re-styled and piped with satin cord. Instrument panel and window moldings are finished in satiny walnut grain, with harmonizing hardware. Additions include: high-quality carpet in the front compartment, 30-hour clock in the rear-view mirror, sturdy lock on the glove compartment, handy extension lever on the emergency brake, and a handsome, modern steering wheel. There are new twin horns, too, like those on the Lincoln-Zephyr.

This new beauty, *plus* the greater gasoline mileage provided by a new improved carburetor, gives you *more for your money than ever before.* See the "Special de Luxe" V-8 at your Ford dealer's. You'll *like* it. And so will your budget!

Ford Has All These Quality-car Features—No Other Full-sized Low-priced Car Has Any of Them

1. V-type 8-cylinder engine—gives smooth power with economy.
2. 90 horsepower—provides quick acceleration and brilliant performance.
3. High-compression aluminum cylinder heads (as regular equipment) increase horsepower without increasing operating cost.
4. Dual down-draft carburetion ensures uniform distribution of fuel mixture to all cylinders, contributing to easy starting and smooth operation.
5. Big Super-Safety Mechanical Brakes—most reliable under all operating conditions.
6. Semi-centrifugal clutch—greatly reduces pressure required to depress clutch pedal.
7. Full torque-tube drive, radius rods front and rear—transmit driving and braking forces directly to frame and retain axles in alignment.
8. Three-quarter floating rear axle—axle shafts carry none of car weight—not used in any other car priced under $2000.

$30 A MONTH now buys a 1936 Ford V-8 passenger car.

FORD MOTOR COMPANY OF CANADA, Limited

Millions Swept Away by Flood — of Credit Losses

Credit Losses always follow in the wake of floods, tornadoes, earthquakes, fires -- any community disaster. Merchants are ruined or crippled so they cannot pay their manufacturers and jobbers. All this happens right out of a clear sky. Such losses are never "expected." But they can be, and should be, provided against.

Consider what Credit Insurance has meant to Manufacturers and Jobbers whose debtors have suffered irreparable loss from these disasters over which no man has any control.

Credit Insurance

With your credits protected by Credit Insurance, you can sell safely, normally, unhampered by the possibility of unforeseen Credit Losses through floods, fires, failures, bankruptcies, etc. You can keep your capital liquid by taking advantage of our efficient Delinquent Debtor Service.

This Company has weathered every financial storm for 43 years. Big, strong, safe, conservative. Every policy written to meet the needs of your line, after detailed study of all factors involved... There are as many reasons for insuring your credits as there are open accounts on your books.

CANADIAN DIVISION
AMERICAN CREDIT
INDEMNITY COMPANY
of New York —— J. F. McFadden, *President*

F. A. REID, *General Agent*
503 Canada Cement Building
Phone: LA. 3258-3259
MONTREAL, QUEBEC, CANADA

T. F. McOUAT, *General Agent*
34 Montreal Street
SHERBROOKE, QUEBEC, CANADA

C. A. MULLEN, *General Agent*
The Metropolitan Building
Phone: ELgin 9303
TORONTO 2, ONTARIO, CANADA

U-1R1

CREDIT INSURANCE EXCLUSIVELY SINCE 1893

THE FINANCIAL POST

SECOND SECTION

Vol. XXX Member of Audit Bureau of Circulations PUBLICATION OFFICE: TORONTO, JULY 11, 1936 10c a Copy; $5.00 a Year No. 28

Taxing Canada's Millions in United States

Levies on Canadian Income Derived from U. S. Boosted In Final Form of Revenue Act — Treaty Possibilities

From Our Own Correspondent

WASHINGTON, D.C.—It is estimated that the new United States taxes on foreign corporations and individuals will take from $2 millions to $4 millions more in taxes annually from Canadian companies and persons receiving income from the United States than they hitherto have been paying. This estimate is based on a fairly reliable figure of about one billion dollars of Canadian investments in the United States.

Under the amendments to the United States Internal Revenue Act passed by Congress, the objective is to force United States companies to distribute their earnings to shareholders so that, in turn, the government may collect its share from individuals in the form of normal taxes and surtaxes on income. These United States corporation taxes are expected to yield around $630,000,000 annually in this manner.

Taxes Affecting Canadians

So far as foreign corporations and individuals are concerned, they may be classified under the new tax act amendments thus:

1. Resident foreign corporations carrying on business in the United States and having an office or place of business in the United States.

Briefly, the new tax on these companies is to be levied at a flat rate of 22% on their net earnings from United States sources instead of the old graduated tax of 12½ to 15%.

2. Non-resident foreign corporations, not carrying on business in the United States or having an office or place of business there but receiving income from United States sources.

These companies are to have levied against them a flat tax of 15% on an enumerated list of gross income from United States sources. By far the greater number of Canadian companies affected come within this classification to be dealt with in more detail later.

3. Non-resident alien individuals, having no place of residence in the United States but deriving income from United States sources.

They must now pay a flat tax of 10% on such income, subject, however, to a reduction to 5% by treaty negotiation. Canada, it must be pointed out, has maintained a 5% tax of this nature herself for some time past.

New United States Rates

The amendments, known as the Revenue Act of 1936, repeal previous United States corporation income taxes graduated from 12½ to 15% according to income, and impose new rates as follows:

8% on first $2,000 of normal income.
11% on next $13,000 of income.
13% on next $25,000 of income.
15% on income in excess of $40,000.

In addition, new taxes are levied against undistributed surpluses or retained earnings. These are designed to force corporation payment of surpluses to shareholders where they can be taxed as individual income, and the schedule of these corporation super-taxes follows:

7% on first 10% of retained income.
12% on next 10% of retained income.
17% on next 20% of retained income.
22% on next 20% of retained income.
27% on all earnings retained in excess of 60%.

Compromises Made

To meet long and bitter objections in both houses of Congress that this novel tax system will favor large corporations with previously accumulated reserves as against small corporations struggling to accumulate a reserve, various reservations were made. Thus, corporations earning $50,000 and less annually come under a provision that the 7% tax on the first 10% of their earnings shall apply either to that 10% or be $5,000 whichever is larger. A company in that class would retain $5,000 of earnings under a tax of not more than 7% or, if it earned only $5,000 could retain it all and still pay only 7%. Companies having contracts not to pay dividends are exempted from this undivided profits tax as are also receivership corporations. Railways may file consolidated tax returns without penalty.

Present capital stock and excess profits taxes are continued, but the capital stock tax is reduced from $1.40 per $1,000 to $1 per $1,000. Dividends paid shareholders are made subject to the normal 4% tax. The present exemption from taxation of intercorporate dividends by 90% is reduced to 85%. Banks and insurance companies are exempted from the corporation tax schedule and pay a flat 15% on normal income; they are exempted entirely from the undivided profits tax.

These are the salient features of the lengthy bill as it applies to United States domestic corporations.

How Foreign Companies Affected

Reverting again to foreign corporations, all foreign corporations are exempted from the undistributed profits super or surtax. The obvious reason is that the United States government has no method of compelling returns from foreign corporations. Hence the methods sought to get at the earnings of these companies are based on flat taxes, levied at the source, on their United States income.

In the case of resident foreign corporations carrying on business in the United States and having offices or places of business there, the tax is to be a flat 22% on their net income from United States sources. This is an increase from the former graduated scale of 12½ to 15%. Previously, such foreign companies "resident" in the United States had to include in their net income for taxation purposes 10% of any dividends received from United States companies. This is now raised to 15%. For example, a "resident" Canadian company receiving a dividend of $1,000 from an American company would have to include 15% of it or $150 as net income on which the tax of 22% would be paid; that is, a tax of $33 per $1,000 or 3.3% of such United States dividends. In the case of such a dividend paid by one foreign company in the United States to another foreign company operating in the United States, the 22% tax would not have to be paid unless the paying foreign corporation receives 50% or more of its gross income from United States sources in which case only that percentage of the dividend attributable to United States sources is taxable.

The change from the old law is the inclusion of only a percentage of the dividend for taxation purposes instead of all or none of it as under the old law.

Difficult to Enforce

Though the United States tax on undistributed or retained earnings of domestic corporations does not apply to foreign corporations, section 102 of the previous act has been copied into the revised act. This provides in effect that if a resident foreign corporation carrying on business in the United States has shareholders subject to United States income surtaxes, and accumulates a surplus in its treasury for the purpose of enabling the shareholders to avoid the surtax, then a tax may be imposed of 25% on the first $100,000 of such retained net income and 35% on such income in excess of $100,000. Admittedly, this has been and is a difficult section to enforce in that intent to aid shareholders to escape their income surtaxes must be shown. In view, however, of the drive to force United States corporations to distribute their earnings to shareholders, it may be anticipated that additional efforts will be made to enforce the section.

Canadians Taxed More

Non-resident foreign corporations such as Canadian companies drawing income from United States sources but which do not carry on business in the United States or maintain an office or place of business in this country are a much larger class affected by the new taxation. In lieu of the 22% flat tax levied by the new act on the net income from United States sources against resident foreign corporations, the non-resident companies must pay a flat tax of 15% on an enumerated list of gross income (except dividends which are treated specially) received from United States sources. This enumerated list of gross income includes receipts from interest (except on bank deposits), rents, salaries, wages, premiums, annuities, compensations, remunerations, emoluments, or other fixed or determinable annual or periodical gains, profits and income—all of which are subject to the flat tax of 15%. In the case of dividends received by such a non-resident foreign corporation from United States sources, a tax of 10% on the whole dividend must be paid by the non-resident foreign corporation. This, however, may be reduced by treaty negotiation to 5%.

Generally speaking, this new tax of 15% on enumerated gross income from United States sources of non-resident foreign corporations is an increase over the previous tax, since that was a graduated tax of from 12½ to 15% on net income. But there may be cases where it would be less in that the 15% flat tax is paid on an enumerated list of gross income and some companies, conceivably, may receive income from sources not enumerated. An example is in the case of occasional capital gains which are not included in the list of enumerated gross income.

One change from the previous law is that where a corporation is completely liquidated, the treasury applies to shareholders' gains or losses the regular capital gains or losses allowances which formerly were denied them. In the case of tax-free liquidation of parent corporations, this does not apply to non-resident foreign corporations unless the United States commissioner of internal revenue is satisfied the plan does not have as one of its principal purposes the avoidance of the federal income tax payments by shareholders.

Many Canadians Affected

By far the most vital section of the new act, so far as Canadians are concerned, is section 211 applying to non-resident alien individuals not engaged in business in the United States or having an office or place of business in the country. All such persons—and there are thousands of them in Canada—receiving income from United States sources as interest (except interest on bank deposits), dividends, rents, salaries, wages, premiums, annuities, compensations, remunerations, emoluments or other fixed or determinable annual or periodical gains, profits and income, must pay a tax of 10% collected at the source. This may be reduced, as in the case of non-resident foreign corporation income from United States sources, to 5% by treaty.

Again, it is admitted that severe difficulties face the collection of this tax. For instance, probably most Canadians receiving such income from United States sources, by natural and convenient practice, have the payments made to a registered United States address of a bank, agent or broker. There is no way then of checking whether the payments are going to persons within or without the United States unless it be by requiring affidavits from the disbursing companies which would involve almost insuperable burdens on private business. But Canada is having the same experience, was the first to enact the law, and the United States has obviously retaliated.

Canada Haven for Funds Fleeing New U. S. Taxes

Shareholders of Canadian companies which have an important part of their earnings in the United States will be materially affected by the new United States revenue law.

The higher corporation taxes, the tax on dividends paid to Canadians or Canadian companies and the excess profits tax will all lessen the amount which can come across the border in the long run. The graded tax on profits in excess of dividends may in many cases, however, cause companies with large earned surpluses and a highly liquid working capital position to pay out all current earnings and so increase immediate receipts.

Will Reduce Some Dividends

Where companies have not piled up large earned surpluses they will have to set aside large amounts from earnings in spite of the excess profits tax and in order to do so they will pay less dividends. That will not be what the United States treasury expects. It wants to force the payment of dividends and then to tax these as income of individuals. But companies have to retain part of their profits or be very vulnerable to the first breath of financial storm.

As it is entirely probable that a treaty between Canada and the United States will reduce from 10% to 5% the tax imposed on dividends received by aliens from United States companies, this article speaks throughout of 5% as the amount which will be deducted after December 31 next. If by any chance the amount exacted should stay at 10% it is probable that much of the movement of funds to Canada referred to later would be prevented. That would discourage the holding of United States securities by Canadians. But Canada deducts 5% from dividends paid to United States citizens. It is thought the same percentage will apply in both countries. In Canada the company or resident receiving dividends from a United States source will only have to pay Canadian income tax on the amount actually received after the U. S. tax is deducted.

What Companies Pay

Here are some of the companies affected:

Carnation, Chemical Research (not paying dividends), Fanny Farmer, Loblaw Groceterias, Inc., Pantepec Oil (not paying), Pressed Metals, Remington Rand and Twin City must all pay the United States corporation income taxes whenever they make profits and excess profits tax on whatever they do not disburse and deduct 5% on whatever they propose to send across the border to Canadians.

Fanny Farmer

In 1935 Fanny Farmer earned $1.28 a share and paid 50 cents a share. It has for many years earned more than twice what it paid in dividends. It has expanded out of earnings turned back as well as by new capital. At the end of 1935 there were 182 stores and there are more stores started every year. A continuation of this excess profits tax may therefore lead both to higher dividends annually and to investors getting more frequent opportunities for stock investment. A certain amount of turning back of earnings there will probably always be as long as present management is in control. The 5% deduction from dividends given Canadians was bound to come, but the excess profits tax may cause current dividends to be made larger.

The Case of Loblaw's

Loblaw Groceterias Co., Inc., earnings are increasing. It has a net profit for the year, but an impairment of capital which will take years to overtake unless there is a capital reorganization. Nevertheless the U. S. tax will apply to current profits and no account will be taken of past losses, it is understood. That might make it a longer process overtaking the impairment than would otherwise be the case. The excess profits tax might make it necessary for the company to change its stock so that the balance sheet deficit could be eliminated and the company be enabled to pay its current profits in dividends in order to avoid an excessive excess profits tax.

Pressed Metals

Pressed Metals is expanding rapidly. It has just sold stock to shareholders at a rate that will provide it about $200,000 for expansion. It earned $1.60 a share in 1935 and paid 12½ cents a share plus 2% stock. The 2% stock dividend was equivalent to selling stock to shareholders at nearly $8 a share as that represented the annual surplus turned back into the company. The new stock just offered has been at $20 a share. All this new capital may allow the company to pay out more of its annual profits and to save the excess profits tax in great part.

Twin City

Twin City Rapid Transit Co. will have to withhold 5% from whatever interest or dividends it sends across to Canada. Dividends have not been paid for a long time.

Canadian Holdings Cos. Happy

Distillers Corp-Seagrams, International Metal Industries, International Nickel Company, Massey-Harris Co., Moore Corp., Page-Hersey Tubes, and Hiram Walker-Gooderham & Worts are in the comparatively happy position that they are holding companies for subsidiaries in the United States. It is true they will be mulcted an additional 5% on all that is paid them in dividends by their subsidiaries as compared with holding companies domiciled in the United States. The latter companies, however, have no way of avoiding the excess profits tax. If they try to hold back a large proportion against the rainy day they know always comes, a big tax will be taken from them. If the Canadian holding company draws all the excess profits of its United States subsidiaries, it can retain what it likes to prepare for future eventualities and lend it back to the subsidiaries whenever they are pressed for working capital. In other words, the money is still available to the group for its needs and growth.

International Metal

At present this may not seem to make much difference to International Metal Industries which has shown a large deficit on yearly operations for some years. But that was a consolidated deficit. If one of its subsidiaries makes a profit it has to pay the tax no matter how heavy losses may be made by other affiliates in the holding company group. So these new taxes are very important to it.

Massey-Harris

If Massey-Harris Company's subsidiary in the U. S. were to lose money on account of the prevailing droughts stopping sales it would not have to pay these taxes. But when it does make a lot of money it is likely that all the profits will be brought up to Canada quickly to avoid this tax on excess profits.

Page-Hersey Tubes

The public does not know just how much Page-Hersey Tubes United States subsidiaries make. Page-Hersey Tubes does not publish a consolidated financial statement. Market dopesters in the boom days always used to say that the United States subsidiaries held a lot of the earnings which therefore did not show in the statement. The Page-Hersey Tubes statement, however, shows advances to the United States companies and they may have been wrong. From now on, as long as they last, these taxes will be all against the company keeping annual profits in the United States.

Walker-Distillers Corp.

Distillers-Corp.-Seagrams and Hiram Walker-Gooderham & Worts are making the heavier end of their earnings these years in the United States. Their operating expenses have been reduced to as low a level as efficiency can do it but their sales costs must be very high in trying to keep their wares before the American public. It may now prove advantageous to them to be in a position to pay all their profits out in dividends to the Canadian holding companies which will act as their bankers.

Some go so far as to predict that there will be established quite a number of Canadian holding companies for United States subsidiaries in order to avoid unwise disbursement of profits at the expense of working capital and earned surplus.

Moore Corp.

Moore Corp. gets 90% of its earnings in the United States. Its subsidiaries doing business South of the international boundary are all United States companies and therefore come under the new taxes. They can avoid the excess profits tax by paying all profits out in dividends to Moore Corp. and withholding 5% for the United States treasury.

International Nickel

International Nickel Co. does a world business but nearly all its raw product comes from Canada. Its head office is in Canada, but certain profits on the large amount of refined nickel sold to nickel-using companies in the United States will be considered eligible for taxation, especially if it is paid out to International Nickel Co. in the form of dividends. The parent company for treasury purposes might be considered an alien receiving dividends from United States companies. But the money probably never leaves the United States and is paid out in part at least to United States shareholders of the Canadian company.

British American Oil

British American Oil Co. operating subsidiaries are incorporated in the United States and therefore will pay the United States income tax. It will be cheaper for these subsidiaries to pay their whole net earnings to the parent company, less an additional 5% tax on dividends paid to Canadian companies or individuals.

F. N. Burt

F. N. Burt Co. would not in any event be affected by the excess profits tax in recent years because it has been paying out in dividends more than it has taken in in current earnings. It has been able to do this because it has a strong liquid position and its earned surplus is high enough so that it could be tapped yearly to the extent of recent years for a long time without affecting its position materially.

Canada as Repository

What will be the attitude of United States companies with large interests in Canadian companies? Except when they desire more funds to maintain dividends at a good rate in the United States they will be inclined to allow excess earnings in Canada to accumulate rather than to increase dividends. Whenever earnings in the United States are sufficient to meet the dividend rate why should American Telephone & Telegraph want Bell Telephone to increase its dividend, Standard Oil of New Jersey desire the same of Imperial Oil and Imperial Oil's subsidiary, International Pete? Those great companies, and others like Canadian General Electric, Canadian Westinghouse, Kelvinator, would be better places to hold accumulating reserves than the United States whenever taking them to the United States would simply subject them to an additional tax.

The same line of reasoning might apply at times to Ford of Canada, to Famous Players Canadian Corp., even to Goodyear Tire & Rubber Co. Dominion Rubber Co., Dominion Gas & Electric (whenever International Utilities is able to make enough in the United States to meet its dividends) and to Marcus Loew's.

The New York Times, the Chicago Tribune, Hearst and other large United States newspapers have substantial interests in Canadian newsprint companies. The present revival in newsprint activity and the increasing prices predicted might not hurt them much if it only piled up profits in Canada on newsprint even if it increased expenses in the United States and thus reduced income tax liability.

The excess profits tax may lead to more investment holding companies in Canada to receive dividends due on stocks now held by Americans.

International Milling

Possibly International Milling Co., which makes profits in both countries, has in recent years made twice as much as it has paid in common dividends. During the depression its yearly excess surplus after dividends has run all the way from half to three quarters of a million dollars. Excess profits tax would take a lot of money from it. It will probably accept that loss rather than depart from its old custom of building up reserves. This company has always believed in providing as much leeway as possible for the last contingency after paying dividends.

—Photo by Karsh, Ottawa, Ont. —Photo by Cunningham, Hamilton, Ont.

CANADIAN AUTHORS

Herbert Marshall (left) and Kenneth W. Taylor (right), who together with Frank A. Southard, Jr., of Cornell, are joint authors of the striking survey of Canadian-American industry reviewed on this page.

Mr. Marshall is chief of the internal trade branch of the Dominion Bureau of Statistics. Mr. Taylor is associate professor of economics at McMaster University.

Hurdling the Border

United States Has 4 Billions Invested in Canadian Business— Dominion in Proportion Has Larger Share in U. S. Industry

CANADIAN-AMERICAN INDUSTRY—A study in international investment by Herbert Marshall, Frank A. Southard Jr., Kenneth W. Taylor. Published by the Ryerson Press, Toronto, for the Carnegie Endowment for International Peace (Division of Economics and History). Price $3.50.

As Dr. James T. Shotwell, director of the Carnegie Endowment, remarks in his preface, it is "a happy chance" that the first volume in this monumental series on relationships between Canada and the United States should tackle the vast and absorbing topic of industrial relationship between these two countries.

This volume is the first major detailed survey ever to be made of what is called the "branch-plant" movement between these two countries. It deals with the nature, extent, ramifications and impact of the four billion dollar investment which Americans have made in Canada in industrial and financial enterprise, and conversely, with the similar investment of Canadians in United States.

Canadian Stake Bigger

And right at the beginning, this volume makes the rather astonishing statement that "relative to wealth and population, Canadians have as large industrial investments in the United States as Americans have in Canada."

This is explained by saying that Canadian-owned companies in the U. S. are from 10 to 12 per cent of the number of American companies in Canada and employ 12 per cent as much capital. Since in population and volume of investment Canada is less than 10 per cent the size of the United States, Canadian industry in America is, it is claimed, therefore larger proportionately than is American industry in Canada.

Long-Time Phenomena

And the branch plant movement is shown as no new phenomena. As early as 1840, American enterprise was reported spilling over into Canada, and by the 1880's, Canadian branch plants began to appear in the United States.

An interesting digression not to be confused with branch plants is the early migration to Canada of young men who, with experience gained in the United States, organized and operated factories in Canada. In this way, familiar names such as Gurney (of foundry fame), Goldie of Guelph (miller) and Hiram Walker of Walkerville (distillery), took their place as early pioneers in Canadian manufacturing.

The first actual case of an American branch plant is said to be a file factory at St. Catharines established in 1870, and by 1887 there are records of some 50 or more plants of which 13 entered in 1879, the year of the inauguration of Canada's national policy.

Huge Ramifications

From there the story moves on in fascinating tempo, tracing through over 150 pages the individual stories of achievement and defeat, till today a fourth of the manufacturing in Canada is done by American-controlled companies, with the concentration largest in rubber goods (64 per cent); pulp, paper and lumber (34 per cent); machinery (42 per cent); automotive goods (82 per cent); electrical apparatus (68 per cent); non-ferrous metals (50 per cent); non-metallic minerals (44 per cent); chemicals (41 per cent); and miscellaneous manufactures (40 per cent).

Apart from manufacturing, Americans evidently control more than a third of the mining output, a third of the output of electric power and two-thirds of the natural gas output. However, our railways, telegraphs, telephones and air lines, radio and bus lines are predominantly Canadian, and the same is true of financial services (apart perhaps from insurance and installment financing).

In the motion picture business, the American-owned companies are powerful, and in the variety store business they dominate, but in merchandising as a whole, in restauranting, hotelkeeping, and so on, Canadians control the field.

"Typical" Branch Plant

At one stage the book answers an obvious question by giving a composite picture of the "typical" branch factory in Canada. This is what it looks like:

"Typically, the American plant in Canada has been established to avoid tariffs and to cater to the consumer preference for 'Empire-made' goods. Although it may export some of its output, it has been organized mainly to serve the Canadian market.

"It is incorporated in Canada as a limited company, is owned by the parent company, financed by it, and closely controlled by it. It is, in terms of numbers, typically a small plant, employing up to $200,000 capital and turning out only a small proportion of the products produced by the giants among American-owned companies in Canada.

"It is a factory, not an assembly plant, and although it may import some parts from the parent company, it tends to produce 85 per cent or more of the product in Canada. It pays the going rate of wages in Canada, which means that its wage scale is a little—but only a little—lower than that of its American associate.

"Its costs are higher than those of the parent and the price it charges the Canadian consumer is likely to be higher than that paid by the Americans for such goods. But except for the fact that those higher prices limit an already widely scattered market, it finds the Canadian market little different than the one served by its parent company.

"Finally, the typical American plant in Canada, although hard hit by the depression, has been profit-making."

Why have these factories come here?

By means of its own questionnaires which brought forward a wealth of new and valuable information not previously available, the study lists and evaluates the various motives. Thus, tariffs loom largest, being credited by 76 per cent of American firms which replied to the questionnaire as playing an important rôle in their decision to produce in Canada. Empire tariffs were listed as a cause by 24 per cent of the U. S. firms, but for the most part (particularly with older firms) this was an additional rather than an original motive.

Almost 70 per cent felt consumer preference had played a rôle in their decision to erect a plant, although only 10 per cent reported that market differences were such as to call for modification of their product in Canada. A common but minor modification was that necessary to reach the French-speaking market in the Dominion.

As to factory costs, 18 per cent listed transportation economies among factors making Canadian production attractive, although only a small minority (exclusive of those who come to use raw materials such as minerals, timber, pulpwood, etc.) found Canadian costs low enough to be independent inducements to manufacture north of the border.

Another important reason was the question of services. Between 40 and 45 per cent of the companies replying to the questionnaire included "after-sales services" among reasons why they began producing in Canada.

"While there is no way of proving the point, it is probable that the service that a subsidiary in the foreign market is capable of rendering has sent more American companies across the border than any other factor save tariff. It has unquestionably influenced the Canadian companies entering the United States."

And throughout the entire study, pains are taken to reveal these "cross-border outreachings" not as "aggrandisement" but as the "generally normal accommodation of mobile capital and enterprise to barriers of all sorts.

"That point of view is greatly strengthened when it becomes evident that Canada within the limits of her resources has followed an identical process in the course of her industrial and commercial relations with the United States."

Canada's Branches Abroad

One of the unique contributions of the volume is the ground work it has laid for the study of the Canadian branch plant movement abroad. There are perhaps few people on this continent who have not heard of the American branch-plant movement, while conversely, there are very few who realize the extent to which Canadian industry and finance have been successful in the larger U. S. markets.

Its tabulation, apart from banks, brokers, insurance and investment trusts, shows 76 Canadian-owned parent companies in the United States; 63 branch plant factories; 17 mines and petroleum properties; 36 transportation and other utility companies, and 22 sales and miscellaneous operations.

Names prominently mentioned include Fraser Companies Ltd., Brompton Pulp and Paper, Moore Corp., International Metal Industries Ltd., Massey-Harris, Page-Hersey Tubes Ltd., Hiram Walker-Gooderham & Worts Ltd., Fanny Farmer, Canada Packers Ltd., British-American Oil Co., Loblaw Groceterias, Salada Tea, the Canadian railways, Sun Life, etc.

And the reasons? Primarily two in number—economic necessity and individual personality.

Thus mining companies entered seeking adequate and regular supplies of raw materials; railways and banks to obtain necessary terminals for market facilities.

As to individuals, the comment is that "it was not that sales book manufacturing or self-service chain stores or the packaging of tea or the selling of patent medicines had in general reached a state of superior efficiency in Canada, but that these particular men had skill along certain lines, that the eastern Canadian or more narrowly still the Ontario market, was not big enough for them, and expansion into New York, Michigan, Illinois or Ohio was easier and more natural than expansion into Quebec or the Canadian West.

"It may be noted that the Canadian control of these United States properties usually does not long survive the individuals who founded them."

Turning again to the American plant in Canada, the study paints an intimate picture of the way in which these properties operate once they are here.

Of wide interest is a detailed analysis of the factors said to have guided the choice of a location, since millions of dollars are spent annually to convince prospects of the virtues of this or that location for a branch plant. The reasons as disclosed by the special questionnaire and which were returned by 168 companies are as follows. (The figure in each case shows the number of companies checking each suggested reason).

Near domestic market	91
Convenient transportation	52
Skilled or cheap labor	36
Nearness to parent company	33
Acquisition of an existing firm	31
Low rent factory space	31
Cheap raw materials	22
Near related industry	21
Cheap power	19
Satisfactory factory space (other considerations than low rent)	26

Of equal interest is a special examination, made by the authors, of 1,030 American-owned industrial plants in Canada, to show that 70 per cent of these plants are located as follows:

Location	Per Cent of Total Branch Plants %
Toronto	32
Montreal	13
Border Cities	9
Niagara frontier	7
Hamilton	5
Vancouver	2
Winnipeg	2

Charge Higher Prices

Important facts were obtained as to the relation between costs and selling prices of like products in Canada and the United States. Thus, of 150 companies answering the author's questionnaire, 92 reported prices quoted by Canadian subsidiaries as higher; 36 the same; 16 lower and 7 varied.

As to market, 55 to 60 per cent of the companies do not serve any other market from the Canadian plant, and the remainder allot certain foreign markets to their Canadian associates, mostly within the Empire—especially Australia and New Zealand.

Of considerable significance is the emphasis placed on repatriation of branch plants in recent years. Thus, it is pointed out that while there has not been anything like a net withdrawal of American companies from Canada during the depression, for every four new American factories established in Canada since 1929, one existing plant has either been closed or sold to Canadians.

Affects Canadian Research

One detrimental effect of the movement is noted in the adverse influence on research in Canada. Thus the authors point out that if there had been fewer branch organizations in Canada of large electrical, chemical, metallurgical and other industries, the Canadian companies might have had to develop their own research departments on a much larger scale.

"As it is, the opportunities for proper industrial employment for the hundreds of first class young graduates in science from the Canadian universities and engineering schools are very limited, and a very large proportion of them have to seek employment in American industrial laboratories where many of them have done conspicuous and brilliant work. The Canadian industrial economy doubtless could not support as elaborate research facilities as exist in larger industrial countries, but doubtless also it could afford much greater facilities than it now possesses."

Near Saturation Point

In looking to the future, the authors feel that all the evidence points to the fact that "the stream of new branch plants in the four years 1929-32 has carried American industry in Canada close to the saturation point, and that the rate of increase in the future will be much slower."

They feel, however, that in proportion to its size, Canadian industry in the United States is much more likely to expand rapidly, and that Canadian corporations as a whole have not probed the possibilities of exploiting the American market from a plant "on the spot." They feel also that the inferiority complex which so often appears in the Canadian attitude toward the United States will tend to pass away, and that public opinion will tend to be less suspicious of or hostile to foreign investment in Canada.

Errors and Omissions

One or two errors and omissions unfortunately crept into the text, most serious of which is the statement apparently attributed to Moody's Economist Service of London, England, that "Sun Life owns the Mutual Life Assurance Co. of New York." The error probably occurred by reason of the fact that in 1923 Sun Life reinsured some of the foreign business of several leading American companies — namely, Mutual Life of New York, New York Life and Equitable of New York.

The same reference indicates that Sun Life owns another American company "Federal Life Insurance Co." This probably refers to the reassurance by Sun Life in 1915 of the business of Federal Life of Canada.

In its reference to the meat packing industry the name of Swift Canadian Co. Ltd. is omitted entirely although this U. S. branch plant undoubtedly plays a dominant part in this business in Canada.

Leather Footwear

The output of leather footwear in Canada in February totalled 1,835,240 pairs, an increase over the preceding month of 221,281 pairs, or 13 per cent.

Bank Chat

Banks and Bonds

DESPITE improvement in business conditions, banks are confining purchases of securities as far as possible to short-term issues. Opportunity for the public to purchase short maturities in recent new financing has been greatly restricted. Most have been gobbled up by the major financial institutions.

Although purchases of long-term governments have been made by the banks in substantial volume, many believe that this has only been because an insufficient quantity of the shorter maturities was forthcoming. And recently there has been awakened interest in short-term corporation bonds.

The latest composite statement of the chartered banks shows "other bonds, debentures and stocks"—that is, industrial and utility issues—at more than $103 millions. At the corresponding date in 1935, this total was a mere $39.6 millions.

• • •

Loan Trend

UNFORTUNATELY, there has been no reciprocity in regard to this interest in company financing. For, while business has been more sprightly, industrialists and merchants are still rather wary of carrying expansion to the point where bank funds are requisite. Instead, the lower price level, the accumulated funds which corporations have garnered during years of hesitant progress, the low rates at which investors' money is available, all militate against an upward swing in the commercial loans pendulum.

As yet it is too early to state definitely just what effect the deposit interest reduction will have in offsetting lowered earnings from the loan trend. On the basis of deposits with the banks at the end of May, however, it should mean a saving of more than $7.5 millions.

• • •

Personal Loans

IN VIEW of the recent introduction by the Bank of Commerce of a personal loan department, and the increasing emphasis placed by some of the other institutions on the personal loan angle of their operations, a study on the subject just released by the American Bankers Association is particularly timely to Canadian bankers.

While personal loan departments are being operated by banks advantageously and profitably, it is stated, they are no panacea for low earnings. Nor do they provide an investment outlet for all, or even a major part, of excess reserves.

The survey estimates that 85% of those in the United States are without bank credit. To these, the personal loan is a valuable service. At the same time it is profitable to the bank. The personal loan department simply serves to organize what is at present a large mass of unorganized credit and place it upon an orderly basis, is the conclusion of the investigating committee.

• • •

Safety Plus

MERE mention of the precautions taken to ensure safety in the vaults of the new government mint in San Francisco would appear sufficient to discourage the most optimistic would-be burglar.

More than 16,000 feet of cable matting will be built into the walls of the building's 9 vaults, the matting being connected with sound detectors which automatically set off an alarm if there is any tampering. But that is only the first of a series of "delights" introduced by the reception committee. A short wave radio will summon outside aid; an independent power plant will swing floodlights into action; and tear gas will be released by a hundred openings.

At that, it is unlikely that the new vaults will be any more secure than those they will replace. The present vaults are so massive that it was impossible to drill through them when heating equipment was to be installed.

• • •

Jig-saw Banking

VERY appropriately, "Banking" links up an interesting story with bankers' proverbial lack of "news sense."

As reported, the lead to the story runs:

> "President George Jones, of the First National Bank, took time off from his other duties today to help complete a jig-saw puzzle."

Apparently disturbed over the general banking situation, a foreign-born woman had drawn a cheque for the $2,500 balance she maintained at the bank, and had had it certified. Her intention was to transfer the balance to postal savings, but on arrival at the post office was informed that cheques were not acceptable. Evidently not up on banking practice, she tore the cheque up, threw the pieces on the floor, and went to the bank to get cash.

In order to verify the story he was told, the bank president naturally had to insist that adequate proof be submitted. And the only adequate proof was the certified cheque itself. Consequently, as many of the pieces as could be swept from the post office floor were taken to Mr. Jones's office, and depositor and bank president spent considerable time pasting up the "jig-saw puzzle."

The story as published in the press did more to create public confidence and understanding in the bank than would a whole column interview with the president himself. Yet numerous similar instances are constantly being overlooked by bankers as a means of furthering public relations.

EACH WITH DIFFERENT THEORY

Champions of 3 widely divergent monetary systems met at Vancouver's Golden Jubilee. Here they are, left to right: Rt. Hon. R. B. Bennett, sound money; Mayor G. G. McGeer, banking reform; and Premier William Aberhart of Alberta, social credit.

Sharp Loan Reduction Features Bank Return

Credit extended in Canada by the chartered banks, including both loans and security holdings, registered only slight change during May, the total showing a gain of $1.1 million.

Within the broad classification of "credit," however, the month's developments reacted unfavorably on earning position. The check in the downward trend of loans noted in the previous month proved but temporary and once more the flow of funds into securities was resumed. Canadian loans decreased by almost $30 millions in May, most of this amount being in current loans utilized largely for commercial purposes. Investments in lower interest bearing securities increased by a slightly greater amount.

Despite maintenance of the credit volume, public deposits receded by $52.7 millions the main offsetting items being a decline of more than $30 millions in inter-bank balances and smaller reductions in call loans abroad, cash, etc.

The Financial Post credit index dipped once more to a new low at 37.3. May marked the sixth consecutive month in which the index has fallen. Significant factors indicating the use of bank credit in the Dominion are as follows:

Use of Bank Credit in Canada
(In Millions of Dollars)

	May 1936 $	April 1936 $	Ch. $	May 1935 $	Ch. $
Loans.	915.1	945.0	—29.9	1,053.4	—138.3
Inv'ts.	1,345.2	1,314.2	+31.0	1,004.5	+340.7
Total..	2,260.3	2,259.2	+1.1	2,057.9	+202.4
Depos..	2,105.2	2,157.9	—52.7	2,007.7	+97.5

ASSETS

	May, 1936 $	April, 1936 $	Change $	May, 1935 $	Change $
Immediately Available Liquid Assets					
Canadian coin	5,175,205	5,907,041	—731,836	6,146,020	—970,815
Bk. of Can. notes ..	34,282,576	34,795,698	—513,122	30,918,068	+3,364,508
Bk. of Can. deposits	185,072,148	187,446,603	—2,374,455	166,972,855	+18,099,293
Bank's cash	224,529,929	228,149,342	—3,619,413	204,036,943	+20,492,986
Other bank notes ..	7,074,580	5,605,578	+1,469,002	5,970,740	+1,103,840
Gold & sub. coin ab'd	11,283,381	11,188,523	+94,858	9,176,257	+2,107,124
Foreign banks	111,222,241	117,150,057	—5,927,816	116,284,653	—5,062,412
Foreign curr.	22,996,749	22,165,738	+831,011	20,636,673	+2,360,076
Gov. sec. short term	493,453,161	485,535,645	+7,917,516	418,368,763	+75,084,398
Do., long term ...	587,707,847	591,899,817	—4,191,970	417,040,767	+170,667,080
Call loans abroad ..	58,322,836	66,000,291	—7,677,455	71,213,244	—12,890,408
	1,516,590,724	1,527,694,991	—11,104,267	1,262,728,040	+253,862,684
Loans and Securities Other Than Those of Canadian Government					
Municipal secs.	111,943,567	114,056,067	—2,112,500	91,823,431	+20,120,156
Public secs. †	48,945,842	49,224,813	—278,971	37,700,241	+11,245,601
Other secs.	103,141,557	73,512,097	+29,629,460	39,579,983	+63,561,574
Can. call loans	87,167,995	83,435,789	+3,732,206	81,981,322	+5,186,673
Current loans	699,774,131	725,484,153	—25,710,022	824,125,882	—124,351,751
Loans abroad	144,691,129	142,072,852	+2,618,277	147,811,034	—3,119,905
Prov. loans	24,450,679	24,357,614	+93,065	26,872,840	—2,422,161
Mun. loans	103,750,033	111,720,073	—7,970,040	120,428,163	—16,678,120
	1,323,864,953	1,323,863,478	+1,475	1,370,322,896	—46,457,943
Other Assets					
Non-curr. loans	13,591,397	13,732,068	—140,671	14,462,973	—871,576
Real estate	8,819,129	8,680,968	+138,161	8,640,970	+178,159
Mortgages	4,678,542	5,357,189	—678,647	5,523,362	—844,820
Premises	75,606,912	75,600,673	+6,239	76,707,574	—1,100,662
Letters of credit ...	58,011,578	61,904,737	—3,893,159	52,963,808	+5,047,770
Loans to comp.	10,546,631	10,532,199	+14,432	13,123,737	—2,577,106
Other assets	2,232,821	2,118,801	+114,020	3,158,878	—926,057
	173,487,010	177,926,635	—4,439,625	174,581,302	—1,094,292
Total	3,013,942,687	3,029,485,104	—15,542,417	2,807,632,238	+206,310,449
Note circ. dep.	6,889,857	6,889,857	....	6,727,010	+162,847
Int. bank bal.	86,757,157	117,213,555	—30,456,398	100,441,407	—13,684,250
Gross	3,107,589,701	3,153,588,516	—45,998,815	2,914,800,655	+192,789,046

LIABILITIES

	May, 1936 $	April, 1936 $	Change $	May, 1935 $	Change $
To the Public					
Circulation	123,371,431	120,015,322	+3,356,109	122,447,222	+924,209
Dom. Govt.	49,529,294	28,042,104	+21,487,190	23,726,986	+25,802,308
Prov. Govt.	38,568,675	42,562,774	—3,994,099	32,452,983	+6,115,692
Deposits by Public					
Demand dep.	578,298,032	621,827,383	—43,529,351	561,208,233	+17,089,799
Savings dep.	1,526,915,696	1,536,100,556	—9,184,860	1,446,488,415	+80,427,281
Total	2,105,213,728	2,157,927,939	—52,714,211	2,007,696,648	+97,517,080
Foreign dep.	390,805,383	391,936,599	—1,131,216	339,861,668	+50,943,715
Due to Banks Abroad, Etc.					
United Kingdom ...	9,833,809	8,202,906	+1,630,903	8,044,805	+1,789,004
Foreign	28,438,742	29,929,606	—1,490,864	24,279,787	+4,158,955
Bills payable	890,558	692,613	+197,945	886,159	+4,399
Letters of credit ...	58,011,578	61,904,737	—3,893,159	52,963,808	+5,047,770
Other liabs.	2,510,894	2,668,870	—157,976	2,404,833	+106,061
Total public liab. ..	2,807,174,092	2,843,883,470	—36,709,378	2,614,764,899	+192,409,193
Due bet. banks	10,838,786	17,922,452	—7,083,666	11,609,998	—771,212
Liability to Shareholders					
Dividends	2,944,441	2,542,619	+401,822	1,946,422	—1,981
Reserve	132,750,000	132,750,000	....	132,750,000	....
Capita	145,500,000	145,500,000	....	145,500,000	....
Gross	3,099,207,319	3,142,598,541	—43,391,222	2,907,571,319	+191,636,000
Credit index	37.3%	37.4%	0.1%	45.1%	7.8%

†Other than Canadian.

Weekly Bank Clearings

	July 2 1936 $	Change year ago %	June 25 1936 $
Halifax	2,013,633	—14.3	1,864,036
Saint John ..	1,594,905	—1.0	1,582,074
Sherbrooke .	628,454	—1.0	411,068
Quebec	4,329,204	—2.7	2,739,064
Montreal ...	98,946,493	—0.9	79,888,167
Ottawa	15,417,201	—18.6	14,065,236
Kingston ...	682,257	—17.4	445,363
Chatham ...	496,533	+9.8	390,568
Peterborough	614,584	—18.7	563,767
Toronto	105,939,435	—12.9	104,782,435
Hamilton ...	4,407,928	+1.3	4,270,536
Kitchener ...	1,026,261	—0.7	945,846
Brantford ...	597,312	—49.3	824,217
London	2,686,479	—16.9	2,783,360
Windsor	2,549,699	+5.9	2,437,535
Sarnia	269,130	—41.5	569,178
Sudbury	827,191	+25.3	1,097,374
Moncton	784,043	+16.7	903,453
Fort William	890,273	+25.4	1,116,360
Winnipeg ...	42,891,050	—30.3	48,001,710
Brandon	271,646	—10.8	239,839
Regina	2,913,620	—26.0	2,542,549
Edmonton ..	3,468,940	—16.9	3,129,479
Calgary	5,449,798	—3.5	5,005,428
Medicine Hat	179,123	—30.3	224,112
Lethbridge ..	417,733	—23.1	405,829
N. W'minster	701,775	+28.9	499,972
Vancouver ..	17,684,688	+13.4	15,826,137
Victoria	1,504,802	—9.4	1,483,310
Moose Jaw ..	533,460	—16.5	473,196
Prince Albert	261,380	—25.5	306,925
Saskatoon ..	1,291,548	—9.4	1,207,652

Monthly Bank Clearings

	June 1935 $	June 1936 $
Halifax	10,065,177	10,322,466
Saint John	6,589,322	8,057,703
Moncton	3,439,331	3,553,579
Sherbrooke	2,390,410	2,692,686
Quebec	17,775,039	17,929,968
Montreal	417,143,342	428,982,616
Ottawa	168,181,392	108,252,248
Peterborough	2,367,442	2,842,067
Toronto	548,909,306	564,945,876
Hamilton	17,012,104	20,076,576
Kitchener	4,396,817	4,646,929
Brantford	3,684,792	3,963,327
London	13,026,835	13,773,799
Chatham	1,737,542	2,202,874
Sudbury	3,306,484	4,332,109
Fort William	2,963,108	4,362,110
Winnipeg	183,633,015	250,975,032
Brandon	1,232,734	1,377,473
Regina	12,355,709	14,340,201
Moose Jaw	2,076,772	2,438,103
Saskatoon	5,971,196	6,269,238
Edmonton	16,898,401	16,893,241
Calgary	22,183,151	24,497,673
New Westminster ..	2,137,746	2,187,198
Vancouver	63,728,790	78,971,113
Victoria	6,647,701	7,375,200

C. A. Gentles Elected To Curb

From Our Own Correspondent

MONTREAL.—C. A. Gentles of C. A. Gentles & Co., Toronto, has been elected a member of the Montreal Curb Market.

Staff Changes

The Bank of Toronto has announced the following changes in staff:

S. R. WAY, formerly at head office, to be manager at Petrolia.

E. G. BRITTON, formerly manager at Petrolia, to be manager at Port Hope.

G. L. McHATTIE, formerly manager at Port Hope, to head office.

F. O. JOHNSTON, formerly manager at Benito, Man., to be manager at Vanguard, Sask.

J. E. CONN, formerly manager at Vanguard, to be manager at Bredenbury, Sask.

C. F. DRAGER, formerly manager at Bredenbury, to be manager at Benito, Man.

R. STEEL, formerly accountant at Coronation, Alta., to be acting manager at Sunnynook, Alta.

The Bank of Montreal has made the following staff changes:

H. K. HOPKIRK, formerly manager at Bridgewater, to be manager at Almonte.

L. H. ARUNDELL, formerly manager at Shawville, to be manager at Bridgewater.

A. A. MACARTNEY, formerly accountant at Bleury & St. Catherine Sts., Montreal, to be manager at Shawville.

G. E. R. BLAIS, to be manager at McConnell & Montreal Rd., Cornwall.

The Bank of Nova Scotia has made the following changes:

F. W. MURRAY to be first agent at New York.

B. R. CALDER to be second agent at New York.

The Canadian Bank of Commerce has made the following announcement:

M. C. HART, formerly manager at Yonge & Colborne, Toronto, has been appointed assistant manager at Toronto branch. The business of the Yonge & Colborne office was merged with that of the main branch June 30.

O'Keefe's
FINE BEVERAGES
Since 1846

Bank of Canada Weekly Statement

Changes in the Bank of Canada balance sheet in the week ended June 30 were small and of relatively little significance.

Balance Sheet

	June 30 $	June 24 $
Liabilities		
Capital paid-up	5,000,000	5,000,000
Notes in cir.	95,763,637	94,454,805
Rest fund	173,092	173,092
Dep. Dominion	17,878,486	18,557,614
Banks	189,462,975	190,504,224
Other	326,168	753,163
Total deposits	207,667,629	209,815,001
All other liabs.	2,419,419	2,286,869
Total liabs.	311,023,778	311,729,767
Assets		
Reserve: Gold	179,991,978	179,945,750
Silver bullion	1,729,217	1,729,218
Res. in sterling ...	262,206	777,920
Res. in U. S.	9,497,902	10,390,566
Res. elsewhere ...	3,707	2,699
Total reserve	191,485,010	192,846,153
Subsidiary coin	231,536	272,568
Advances	3,000,000	3,300,000
Investments:		
Dom. govt. short .	28,049,400	27,747,766
Other Dom. govt.	83,637,816	83,608,866
Total invest.	111,687,216	111,356,632
Premises	206,651	206,561
All other assets	4,413,364	3,747,853
Total assets	311,023,778	311,729,767
Reserve ratio	63.10%	63.38%

Bank Debits Down in May

Five Months Figures Show Gain of 13 Per Cent

Bank debits, reported by the 32 clearing centres of the Dominion, dropped about 5% in May.

Compared with the previous month, the May total of $2,979 millions represented a decline of this amount after seasonal adjustment, with only Ontario and the Prairie Provinces recording gains.

In the first 5 months of this year debits were almost 13% above those in the corresponding period a year ago. Each of the 5 economic areas reported substantial gains, with 28 reporting centres advancing. The Maritimes were up 14%; Quebec, influenced by a 22.7% rise in Montreal, was 21.3% higher; only Ottawa of the Ontario centres was lower than last year, the province showing a gain of about 6%; the Prairies were up 13%; and British Columbia soared 26%, the largest gain of any area.

Figures of individual centres for May are as follows:

Debits to Individual Accounts

	May, 1936 $	May, 1935 $
Maritime Provinces		
Halifax	26,569,428	23,394,664
Moncton ...	8,338,767	7,645,163
Saint John .	16,009,887	16,448,671
Total—Maritime Provinces ..	50,918,082	47,488,478
Quebec—		
Montreal ...	833,730,663	808,402,863
Quebec	52,168,909	44,787,525
Sherbrooke	5,896,902	5,290,844
Total—Quebec	891,796,474	858,481,232
Ontario—		
Brantford ..	9,135,101	8,407,342
Chatham ...	6,762,413	6,411,678
Fort William	7,392,076	3,732,694
Hamilton ..	51,846,422	49,519,768
Kingston ...	5,809,028	4,541,630
Kitchener ..	10,306,075	10,595,478
London	33,985,966	31,960,847
Ottawa	128,801,999	140,465,943
Peterborough	5,425,565	5,017,872
Sarnia	6,577,875	5,975,106
Sudbury	6,235,927	4,793,556
Toronto	994,494,075	1,062,265,904
Windsor ...	38,465,857	26,065,227
Total—Ontario	1,305,260,379	1,359,773,065
Prairie Provinces—		
Brandon ...	2,185,312	2,171,496
Calgary	50,013,468	46,572,529
Edmonton ..	30,547,990	34,671,859
Lethbridge .	3,470,398	3,677,859
Medicine Hat	2,070,791	2,046,372
Moose Jaw .	5,657,833	4,123,6[illegible]5
Prince Albert	2,190,006	2,211,017
Regina	44,362,101	72,452,443
Saskatoon ..	9,992,094	9,644,846
Winnipeg ..	416,880,900	552,210,557
Total—Prairie Provinces ..	567,399,893	729,782,418
British Columbia—		
N. W'minster	5,855,196	4,712,376
Vancouver .	126,904,618	113,016,561
Victoria	31,062,036	18,954,489
Total—B. C. ..	163,821,850	136,683,426
Total	2,979,196,678	3,132,208,619

Ontario Savings Office To Open Niagara Branch

The Province of Ontario Savings Office will open a branch in Niagara Falls, early in August, probably the twelfth. Opening of the new branch, which was contemplated last year but was deferred until a suitable location could be obtained, brings the total number of offices operated by the department to 25.

H. V. Stephens, now at head office, Toronto, will manage the Niagara branch.

Voting Halts Plans To Aid Municipalities

Manitoba Election Interferes With Debt Settlement

From Our Own Correspondent

WINNIPEG. — Plans for reconstruction of debts of 8 defaulting Manitoba municipalities have been deferred because of the provincial election which takes place July 27.

Work on the municipal reorganizations may be resumed in September. This might allow completion of some of the schemes this year, as was planned before the election was announced.

St. Boniface Improves

St. Boniface city is the biggest defaulter. Close students of the city's affairs are confident it can pay 3% on its bonds and may eventually pay more.

When St. Boniface defaulted in November, 1932, it lacked funds to pay school teachers' salaries which were in arrears; and it owed large amounts to the bank and for trade debts. As no bond interest has been paid since 1932, the city has accumulated a bank balance after paying off all these current liabilities.

As a consequence of the more favorable outlook, St. Boniface bonds have risen from 30-33 to about 37. The city has not collected all levies for unpaid debenture charges, but cash tax collections have exceeded expenditures for current operations.

Other Defaulters

Smaller municipalities whose debts may be adjusted this year include St. Vital, St. James, Fort Garry, and Transcona. Any adjustments that are made will probably be worked out after consultation with representatives of bondholders. Negotiations had just started when the Manitoba election broke out, and they were dropped temporarily.

The city of Brandon has been a cause of some worry because the municipality sought to have the provincial government supply complete administration of its affairs. The government is understood to have taken the stand that it would give only supervision.

Reduce Expenditures

One striking result of supervision of finances of defaulting municipalities in Manitoba is that current operating expenses have actually been reduced below the 1925 level. In Kildonan, for instance, it took about $10,000 less in 1935 to pay operating costs, apart from debt charges, than it did 10 years earlier. St. Vital's operating costs have been brought about $1,500 below the 1925 level. In some cases, results of this kind have been accomplished despite growth of population and increases in school staffs and services.

Whatever the result of the Manitoba elections, there is likely to be a new minister of Municipal Affairs. This department has been included with finance in the portfolio of Hon. E. A. MacPherson. It is considered too burdensome for one man to have charge of both departments.

Quebec Telephone Stock Listed on Montreal Curb

From Our Own Correspondent

MONTREAL.—Common stock issues of Quebec Telephone and Power Corp. have been listed on the Montreal Curb Market. The listing covers 50,000 shares each of Class A and Class B stock, no par value, of which 36,286 shares of Class A and 35,19 shares of Class B are issued and outstanding.

Champion Simmons Investment Corp. Ltd.
$110.00 in Trust for Every
$100.00 Owing to Investors—
5% Interest

1832 1936

Chance...

THE position which this Bank holds to-day as an integral part of the fabric of Canadian life is not a chance happening. It has been acquired by meeting the needs of the Canadian people in every phase of banking, down through the years—since 1832—always along the lines of sound practice.

World-wide facilities in every department of banking

Coast to Coast in Canada
•
NEWFOUNDLAND, JAMAICA, CUBA, PUERTO RICO, DOMINICAN REPUBLIC
•
NEW YORK, CHICAGO, BOSTON, LONDON, ENGLAND

The BANK of NOVA SCOTIA
OVER A CENTURY OF BANKING SERVICE

36-43

It's your major market

MACLEAN'S readers — and there are more than a million of them — represent the most important "group" market in Canada. In number of homes, in high standards of living and in uniformity of purchasing habits, they constitute your *major* market.

Maclean's fills a very real place in the lives of these progressive Canadians. Topical, instructive and entertaining, there is an abundance in every issue to interest each member of these alert families. For Canada's National Magazine is Canada's great *family* magazine . . . a favorite alike with fathers, mothers, sons and daughters.

Providing Dominion-wide coverage and complete penetration of the urban market, Maclean's reaches better than every fourth English-speaking family from coast to coast . . . families with better-than-average spending power . . . people of some standing in their communities, whose leadership is important to every manufacturer; a mass of class consumers whose interest in Maclean's attests to its dominant position as a national advertising medium.

If, therefore, *your* product is one that Canadian families should use, this opportunity of effectively reaching such a substantial and influential group of consumers is an advertising economy of prime importance.

Maclean's
Canada's National Magazine
481 University Avenue, Toronto, Canada
New York Chicago Montreal London, Eng.

In The Construction World

Ready for Building

UP TO the middle of June, Western Canada's response to the invitation of cheap money extended by the Dominion Housing Act was a total of 4 loans. These were equally divided between Manitoba and British Columbia. Alberta and Saskatchewan did not appear in the picture at all. But recent word from the West indicates that real estate in many of the larger urban centres is again showing signs of activity.

Rents are firmer in Vancouver and on the verge of being so in Winnipeg. In both of these cities more rapid expansion in residential construction is expected shortly and more applications for cheap housing act money. In Saskatchewan, too, a moderate increase in building is anticipated. But in Alberta, the outlook is still reported clouded with Aberhart's Social Credit plans and particularly his scrip issues which so far promise to remain largely undigested.

* * *

Coming Changes

RECORDS of past performances are no guarantee of future development. When this world gets completely out of the recent depression certain construction industries are going to find that some changes hardly perceptible during the slack period, will have very significant effects under full time activity.

The next big expansion in office buildings, for instance, will probably witness some revolutionary departures from the structures erected back in 1930. Since that time air-conditioning has been introduced and a new building will hardly be considered modern without it. Second and even third floors will probably be brought down to street level conditions through the adoption of continuous loading and discharging escalators. People who would not "walk upstairs to save $10" on a suit of clothes will not mind ascending a floor or two provided there is no noticeable delay. There is almost certain to be a radical development in interior lighting, with tubular and indirect lights playing a big part.

* * *

New Office Buildings

BUT the exteriors of the coming edifices are also expected to show the world that they are brand new. Their construction will give the steel manufacturers more than a market for mere girders. Steel and other metal, with a permanently stainless finish is going to find an increasing place for office entrances and store fronts on the ground floor.

Glass is going to be used to a much greater extent than was deemed possible only a few years ago. There are already available in this material, a product that can be bent easily around corners, and another that is practically non-breakable and fully insulated. Even a structural glass in heavy blocks of various degrees of transparency for special jobs is now offered.

Reinforced concrete will undoubtedly continue to be used in large quantities, but in addition there will be at the disposal of the new builder, concrete in various colors.

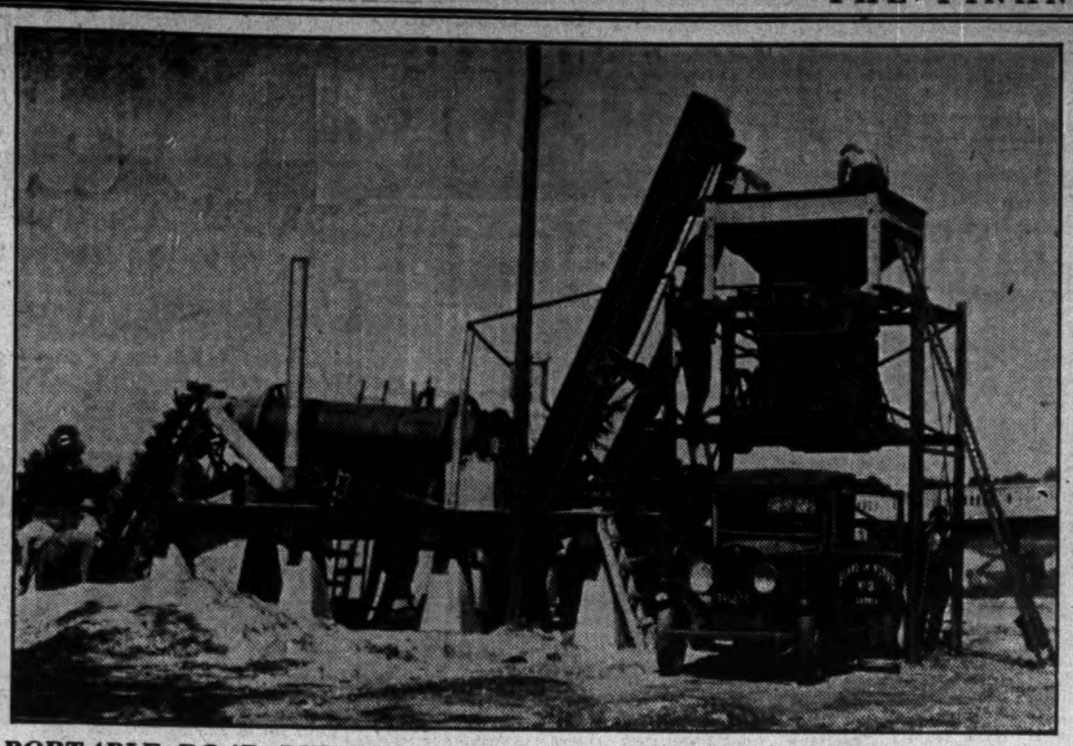
* * *

Different Fields

PLUMBING, electrical, refrigerating and air-conditioning contractors catering to the residential field face an entirely different situation in Quebec and Ontario. States Sanitary Engineer:

> "Whereas the problem of modernization in Toronto and Ontario generally is that of inducing home-owner occupants to improve the values of their respective properties for their convenience and for possible resale, in Montreal and Quebec generally, the problem is quite the reverse. In that province, landlords, trust companies and large estates control the bulk of residential properties. The inducement for modernization, therefore, must be of such a nature that those owning such properties will be able to secure a higher proportion of net revenue and a better class of tenancy."

In the Maritime provinces conditions similar to Ontario would be encountered. In the West, however, due to a radically different climate a new situation arises and the same is true along the Pacific Coast.



PORTABLE ROAD BUILDING MIXER

Bulky road building material like gravel and crushed stone is expensive to move long distances so the Dominion Road Machinery Co. has devised the above portable mixer. This is set up at the rock crusher or gravel pit and there the material is mixed with a suitable binder and carried to the work under way.

Says Housing Act Misses Small Homes—Small Cities

Pointing out that Canada still lags far behind Great Britain, Germany, the Argentine, and other countries in the matter of construction recovery, the Canadian Institute of Plumbing and Heating makes 2 suggestions in regard to the Dominion Housing Act, which, it is intimated, would speed building activity.

Overlooks Smaller Centres

The Institute complains that there is no practical provision under the act for the financing of new houses in small cities and towns, "many of which are enjoying a considerable degree of normal prosperity and a high ratio of employment." As an example, Three Rivers, Que., is mentioned. There, it is claimed, several local housing projects have been developed to relieve the severe shortage of accommodation. Tenants are available who are well able to buy or rent at satisfactory terms. The properties, it is said, are well located, and insurance company loan inspectors have approved the details as far as credit goes. But they are unable to finance the projects owing to the distance from their main offices in Montreal and Quebec City. The expense of frequent journeys of inspection to supervise construction as called for under the act is also quoted. "No blame can be attached to the loan companies in this instance," states an Institute bulletin, "but it illustrates the importance of revising the Housing Act to accommodate more cities and towns."

As a means of dealing with this point, however, Hon. Chas. A. Dunning, Minister of Finance, under whose department the Housing Act is administered, recently made the suggestion that municipalities could form their own loan company and would then be in a position to finance construction under the Dominion Housing Act.

The Institute also criticizes the high value of the homes which so far have been financed by the act.

Out of $2,000 Class

"It has frequently been pointed out that the Housing Act facilities, in practice, only apply to homes of $6,500 or higher," states an Institute bulletin. "The recent architects' competition was designed to extend the act's facilities to lower categories of cost. The prize winning design officially meets the situation, and can, in theory, be built for $3,500 exclusive of land. Certain architects have informed us, however, that in practice the figure will be nearer $5,000. This is still far beyond the price range of the great bulk of Canadian families."

Recently the Institute made a survey of Toronto homes, which showed that less than 10% are over the $5,000 assessment level, whereas the largest single price group comes in the $2,000 class.

"Until this lower range of building values can be effectively reached, we do not believe the housing problem can be properly solved," is the Institute's conclusion.

Real Building Forges Ahead

Private Construction Has Doubled This Year — Leads Public Building

Confirmation of the recent claim made by The Financial Post that bona fide Canadian construction was showing considerable improvement over 1935, is forthcoming in the current monthly bank letter of the Royal Bank of Canada. The slight decline in total of contracts awarded for the first 5 months, was entirely due to a falling off in government building whereas private construction showed a decided gain. Figures just published for the first 6 months indicate still further gain and bring the total of both government and private enterprise ahead of the total for the first half of 1935.

Greater Than Indicated

"Greater recovery is making headway in the building industry than is indicated by the gross figures which have been published," states the bank letter. "At first glance, the building statistics for the first 5 months of 1936 may not seem encouraging. The total value of building contracts let in that period as compiled by MacLean Building Reports, Ltd., amounted to $56,905,000 as compared with $57,073,000 in the same months of 1935. In the total then, building contracts did not quite hold their own.

"More closely analyzed, however, it will be noted government contracts have declined by about $23,000,000 and that industrial, business and private building have increased by a like amount. Where private building amounted to about $20,000,000 of the total of $57,000,000 in the first 5 months of 1935, it has amounted to $46,000,000 out of $56,905,000 in 1936. Private building has more than doubled. New investment is beginning to carry the load. Consumers' goods recovery is yielding to that more substantial improvement which results from the creation of new durable goods."

B.C. Starts Road Building

To Spend $2,200,000 on Highways With Ottawa's Aid

From Our Own Correspondent

VANCOUVER.—As soon as the projects can be approved and the contracts awarded, British Columbia will launch a $2.2 million programme of construction and improvement on highways, park roads and mining trails.

Plans have been worked out between the Dominion and provincial governments for financing of the programme which may be divided into five parts:

1. $1,500,000 for main highways.
2. $303,000 for mining roads.
3. $147,000 for secondary mining roads.
4. $200,000 for roads to national parks.
5. $67,000 for elimination of level crossings.

New Agreement

A new agreement is being negotiated between Ottawa and Victoria for completion of the Big Bend highway, to link up with Alberta and provide a missing link in the transprovincial highway to the coast. It has been agreed that the province would assume responsibility for the west leg of this road.

The main highway programme will be carried out on a dollar-for-dollar basis with the federal government and will be entirely apart from the ordinary maintenance work. Most of the jobs will be done by contract except in cases where engineers express a preference for day labor.

First Joint Programme

Hon. F. M. MacPherson, minister of public works, says that this is the first time a joint road building programme on a comprehensive scale has been undertaken.

Mr. MacPherson added it would be the policy of his government to hard-surface every mile of this year's new road construction in 1937 so as to make the highway system of the province attractive to tourists. Continuity will also be sought so as to leave no roads unfinished when the funds have been exhausted.

Better Binders Improve Gravel

Machine Mixing With Bituminous Material Now Advocated

Previous to the introduction of low cost asphalt, or bituminous pavements on county highways, the usual types of construction used were gravel or crushed stone macadam. These materials were usually found in local deposits and could be used to good advantage.

Only in recent years has it been found that gravel or crushed stone, if properly mixed with a suitable bituminous material, will make a high-class low-cost bituminous pavement which will give years of service.

New Traffic—New Methods

In the case of crushed stone macadam, a principle in this class of construction was laid down by its originator, John McAdam, of Scotland, generations ago (the interlocking of stone particles through compaction) which was a contribution to the industry yet to be excelled.

This type, however, was designed for slow horse-drawn traffic but with the introduction of the fast moving automobile it was found that to prevent disintegration, this principle combined with the binding qualities of proper bituminous materials, was necessary to conform to the new demands of pounding and side-thrust, brought about by this method of transportation.

Machine-mixed

To combine the macadam principle of stone interlocking and bituminous bonding, almost every scheme of the inventive genius of man has been devised and many forms of the so called "mixed on the road" principle have been used, but today no method has been found to equal the machine-mixed method. This is due to the amount of foreign dust particles of no traffic-resisting qualities being picked up and mixed with the new mineral aggregate, preventing a proper coating of the stone with bitumen, which in turn prevents the proper interlocking of the stone and bituminous bonding, thus disintegration immediately sets up and the road becomes pot-holed and goes to pieces.

Building Spurt in June Gives Current Year Lead

Total Construction First Half of 1936 at $78 Millions Is Best in Years — Houses Big Item

A gain of over 30% in June sent total Canadian construction contracts for the first 6 months of 1936 above the corresponding period in 1935. The total to date is nearly $78 millions as compared with $75.6 a year ago, or the highest at this time since the depression.

All lines of construction registered gains with the most notable advance taking place in engineering, where the previous month's record was almost doubled. The explanation, of course, lies largely in the expansion in road building activities. In business building there was also a large advance over May, mainly as a result of a considerable increase in theatre, garage and store building bolstered by some belated public building in Vancouver and Toronto and Montreal.

Figures in detail as supplied by MacLean Building Reports are as follows:

Canadian Contracts Awarded, 1936

	June		May	
	No.	Value $	No.	Value $
Apartments	19	317,800	16	264,000
Residences	1,645	5,000,600	1,377	4,277,300
TOTAL RESIDENTIAL	1,664	5,318,400	1,393	4,541,300
Churches	31	242,200	21	309,600
Public garages	90	431,000	82	305,500
Hospitals	7	659,000	4	131,300
Hotels and clubs	48	223,800	44	261,400
Office buildings	30	180,200	35	436,900
Public buildings	71	794,100	35	351,500
Schools	45	881,600	29	332,400
Stores	187	790,600	197	565,900
Theatres	8	151,000	9	176,000
Warehouses	62	780,900	53	380,000
TOTAL BUSINESS	579	5,134,400	509	3,250,500
TOTAL INDUSTRIAL	76	2,114,000	55	2,306,900
Bridges	23	262,600	15	180,100
Dams and wharves	4	34,800	6	30,300
Sewers and watermains	17	85,600	20	58,100
Roads and streets	124	6,268,900	84	2,942,700
General engineering	56	1,584,700	36	1,652,900
TOTAL ENGINEERING	224	8,236,600	161	4,864,100
GRAND TOTAL	2,543	20,803,400	2,118	14,962,800

Total	No.	Value
6 months, 1936	8,812	$77,708,500
6 months, 1935	9,209	75,594,500
6 months, 1934	7,738	60,916,700
6 months, 1933	5,807	32,912,300

Building More Houses

As there still continues to be a good deal of road and public building construction sponsored by the various governments for relief purposes, a better barometer of the general construction activity in Canada is provided by the figures covering residential building.

In June, aside from roads, house building was the largest single item. This continues to grow albeit rather slowly. Contracts awarded in such a class that month amounted to well over $5 millions compared with about $4.5 millions in May and $3.7 millions in April. Practically every month, during which outdoor construction was possible, since a year ago has shown consistent gains. Activity is particularly noticeable around Toronto and in Vancouver. Gains have been less moderate in Montreal, though in that city there has been a fair amount of duplex and apartment construction. In the smaller cities of eastern Canada more housing has been going up with the increase showing more acceleration in recent months. Farther west, a dull market for existing real estate has hampered new construction, but in the last few weeks the situation has been reported improved with advancing rents in Winnipeg, Regina and Vancouver.

To strictly city figures covering eastern Canadian development should be added suburban statistics, as it is in the outskirts of such places as Toronto and Montreal that much of the new housing and considerable factory building as well is taking place. Such total figures give a much better idea of the real situation.

For the first half of the present year, for instance, total construction in Montreal and suburbs amounted to almost $6.3 millions as compared with less than $4.4 millions for the corresponding figure a year ago. Toronto's $10.8 millions for the first half of 1936, however, was exceeded to the extent of $1.6 millions a year ago. There was, however, a big gain in strictly Toronto suburban development, but not sufficient to offset a decline within the city limits.

Figures based on building permits issued in the main cities of Canada for the first 5 months of 1936 show some wide fluctuations. Here again, however, the separate listing of suburban development in Toronto and Montreal, play a part and also the fact that many of the smaller city figures a year ago were bolstered by much public relief building. As a rule, however, total building activity seems still to be lagging behind a year ago particularly in Quebec and Ontario, but when the June figures have been added this situation should be largely reversed.

City permits in detail, as supplied by MacLean Building Reports, are as follows:

Building By Cities
(Permits issued)

	1936 5 mos.	1935 5 mos.	1934 5 mos.
Halifax	$ 385,025	$ 226,395	$ 252,585
Sydney	26,750	12,950	3,225
Saint John	40,206	53,216	73,710
Montreal	1,663,067	3,013,661	1,247,210
Quebec	142,510	1,178,137	183,841
Three Rivers	44,125	27,645	198,065
Westmount	124,053	53,680	185,646
Brantford	47,124	90,562	62,879
Fort William	54,275	32,000	74,500
Guelph	23,814	46,485	21,100
Hamilton	399,651	1,166,185	259,585
Kingston	66,630	72,447	47,452
Kitchener	90,924	181,266	73,331
London	200,995	1,278,112	197,825
Ottawa	667,485	1,996,760	469,810
Peterborough	61,065	30,061	65,730
Port Arthur	53,944	73,974	24,902
Stratford	9,879	11,754	18,908
St. Catharines	60,910	46,274	38,960
Sarnia	32,028	27,399	42,459
Toronto	2,187,888	4,188,033	1,786,340
York Townships:			
Forest Hill & Swansea	1,897,757	1,374,845	1,217,627
Windsor	270,711	184,260	51,296
Brandon	9,091	65,300	20,116
Winnipeg	486,150	2,080,600	233,250
Moose Jaw	16,185	119,555	60,645
Saskatoon	36,295	84,015	56,015
Regina	75,737	70,225	72,245
Calgary	334,822	432,865	269,907
Edmonton	502,925	384,525	180,195
N. W'minster	119,265	84,755	34,505
Vancouver	2,671,930	824,160	532,904
Victoria	224,331	190,867	118,431

Canadian Industries Ltd. Adding to Windsor Plant

From Our Own Correspondent

MONTREAL. — Canadian Industries Ltd. will construct a one-story electrolytic cell room at the Windsor plant. The room will be 160 ft. long, 20 ft. wide and 25 ft. high, and will involve an outlay of $12,400.

THE predominant quality of Goodyear Tires was never so evident as it is today. The result of more than a quarter of a century of constant progress, the Goodyear product today represents the finest combination of tire beauty, long life, safe, trouble-free mileage and low cost that ever honored the Goodyear name. No wonder that this year as for twenty previous consecutive years MORE PEOPLE RIDE ON GOODYEAR TIRES THAN ON ANY OTHER KIND!

GOODYEAR

BIRD CONSTRUCTION COMPANY LIMITED
CONTRACTORS & ENGINEERS
MOOSE JAW • REGINA

CARTER-HALLS-ALDINGER Company, Limited
GENERAL CONTRACTORS
PUBLIC BUILDINGS — INDUSTRIAL PLANTS
TERMINAL GRAIN ELEVATORS—STREET PAVING
POWER DEVELOPMENTS — HIGHWAY WORK
Operating All Over Canada
Offices:
TORONTO • WINNIPEG • REGINA • VANCOUVER

CANADIAN WESTINGHOUSE

keeping pace with a changing world

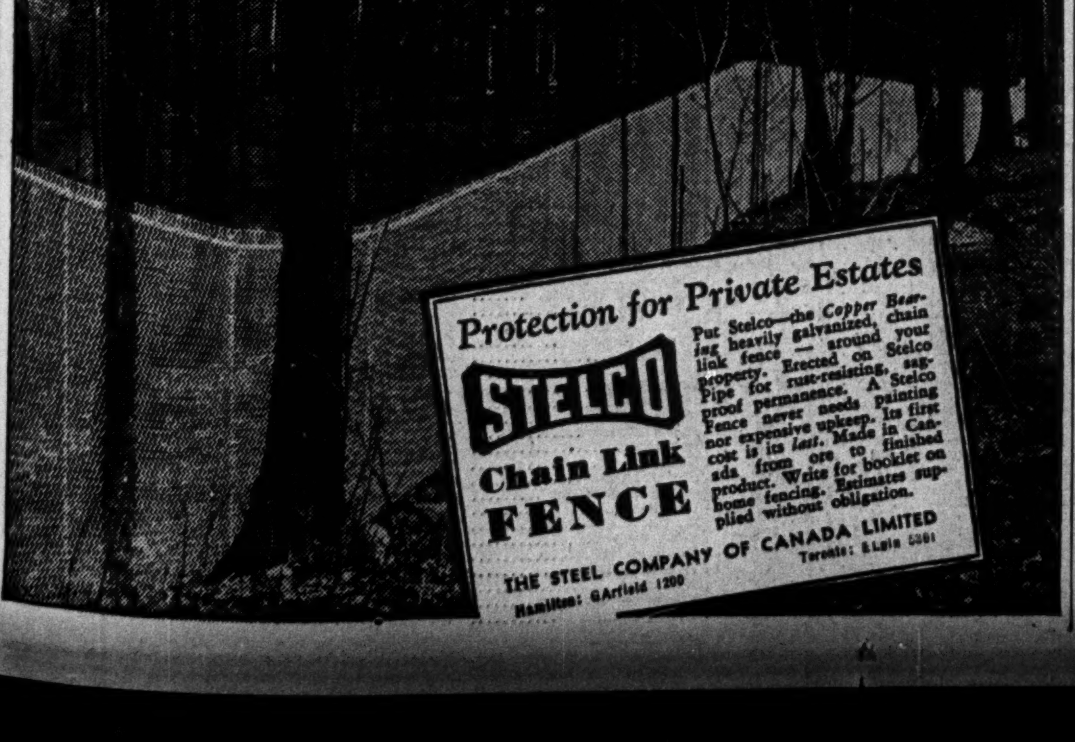
New methods . . . new machines . . . new materials . . . in every industry these are the signs of rapid change. Equipment that was modern a few years ago is inadequate for the demands of today.

When you modernize, install Westinghouse Electrical Apparatus . . . always ahead of the times. Everything Electrical for today's highly geared industries . . . Motors and Control . . . Transformers . . . Water Wheel Generators . . . Sub-Stations . . . Floodlighting . . . Circuit Breakers.

In addition, the Westinghouse Service Department maintains branches operated on factory lines at key cities across Canada. There you are assured of skilled service on installations or repairs of every type of electrical apparatus.

CANADIAN WESTINGHOUSE COMPANY LIMITED
Hamilton - Ontario
Branch Offices and Repair Shops In All Principal Cities

Westinghouse



Protection for Private Estates

STELCO Chain Link FENCE

Put Stelco—the Copper Bearing heavily galvanized, chain link fence — around your property. Erected on Stelco Pipe for rust-resisting, sag-proof permanence. A Stelco Fence never needs painting nor expensive upkeep. Its first cost is its last. Made in Canada from ore to finished product. Write for booklet on home fencing. Estimates supplied without obligation.

THE STEEL COMPANY OF CANADA LIMITED
Hamilton: GArfield 1200 Toronto: ELgin 5301

MURRAY MADE M

MURRAY Protective Coatings for all surfaces

Ace of Spades
Industrial Black Paint

Unequalled for protecting metal roofs, fire escapes, tanks, machinery and bridges. Resistant to acids and alkalis. Dries with a high gloss in 2 to 4 hours.

Alexander MURRAY & Company LIMITED
MONTREAL, TORONTO, HALIFAX, SAINT JOHN, WINNIPEG, VANCOUVER
Affiliated with Dominion Tar & Chemical Co. Limited,
Canada Creosoting Co. Limited — Fibre Conduits, Canada, Limited.

STOCK AND BOND MARKET QUOTATIONS

Montreal, Toronto, Curb

This table is confined to official prices for listed stock. Where no recent transaction has taken place on stock exchanges, the latest available bid and asked quotations are given to indicate the current level of prices. For unlisted stocks, for which transactions are not officially recorded, bid and asked quotations by unlisted dealers are published under "Unlisted Stocks" on this page.

WEEK ENDING JULY 6

Range 1936 High	Low	Div R'te $	July 4 Y'ld %		Sales	Last June 27	Week end. July 6 H	L	Cl'se
				A					
2.50	1.25	.	...	Abitibi	1920	1.70	1.95	1.75	1.95
13	6½	.	...	D. pref. 6%	1342	9¾	10½	9	10¾
12	6½	.	...	Do. cert. dep.	105	9½	10½	8	10½
4½	4½	.	...	Acadia Sugar	....	(4 bid — asked)			
21	14½	50c	2.4	Acme Glove	38	20	21	20½	20½
100	95	6.50	6.5	Do. pref.	6	100	99¾	98	98
10	7½	40c	4.8	Agnew Surp.	60	8½	9	9	9
107	102	7	6.7	Do. pref.	11	103½	104	102½	104
6	3	.	...	Alta. Pac. Gr.	75	4	4	4	4
30	25	.	...	Do. pref.	170	28	30	28	30
3	2	.	...	Amal. Electric	....	(1 bid 2 asked)			
23	14	.	...	Do. pref.	....	(15 bid 20 asked)			
40½	29½	15c	...	Amer. Cyn. B.	....	(— bid 35 asked)			
54½	51¾	3.50	6.4	Ang. C. Tel. pf.	....	(53½ bid — asked)			
33½	17½	.	...	Asbestos v. t.	622	33½	33	32	32
15	9½	60c	6.2	Assoc. Brew.	588	10½	10½	9½	9½
110	103	7	6.8	Do. pref.	....	(106½ bid — asked)			
35	34	.	...	Assoc. T. & T. p.	....	(35 bid — asked)			
106	105½	7	6.6	Atlan. Sugar, p.	....	(105 bid — asked)			
				B					
58½	51½	2.25	3.9	Bank of Canada	196	58	58½	57	57½
140	133	8	5.7	Bk. Can. Nat.	19	139½	139	139	139
214	182½	8	4.2	Bk. Montreal	125	192	192	190	192
300	271	12	4.2	Bk. N. Scotia	38	286	286	282	286
235	225	10	4.4	Bk. Toronto	26	226	225	225	225
13½	11	75c	...	Barcelona	....	(11 Apr. 20)			
17¾	10½	.	...	Bathurst Pr.	3805	14½	14½	14	14
5¾	3	.	...	Do. (B)	5	4½	4	4	4
4	1½	.	...	Bawlf Grain	35	2½	2	2	2
28	24	.	...	Do. pref.	50	30	25	25	25
3	2½	.	...	Beath & Sons	....	(2½ bid — asked)			
15	9½	.	...	Beatty Bros. A.	60	9½	10½	9½	10
105	96	6	5.9	Do. pref.	....	(102 bid — asked)			
3½	1½	.	...	Beauharnois	893	2½	2½	2	2
110	105	4	3.6	Belding Cort.	....	(91 bid 110 asked)			
135	130	7	5.2	Do. pref.	....	(123½ bid — asked)			
150	140	6	4.1	Bell Telephone	644	148½	149½	146	146
36	30	1.25	...	Biltmore Hats	....	(35 bid 36 asked)			
110	110	7	6.4	Do. pref.	....	107 bid — asked)			
5	3½	.	...	Bissell, T. E.	....	(4 bid 5 asked)			
50	33	.	...	Do. pref.	5	40	42	42	42
5	3½	.	...	Blue Ribbon	50	4	4	4	4
33	27	2	6.7	Do. pref.	73	30½	30½	30	30
31½	25½	2	6.7	Brant. Cord. pf.	55	26½	30½	30½	30½
26½	26½	.	...	Do., new	312	..	26½	26½	26½
15½	9½	30c	...	Brazilian Tr.	10043	13½	13¾	12½	13
1.45	.80	.	...	Brew. & Distil.	8230	1.00	1.05	.95	.95
4½	2½	.	...	Brewing Corp.	540	2½	2½	2½	2¾
18½	13½	1.50	9.4	Do. pref.	70	16½	16	15¾	15¾
9	5	30c	6	Bright, T. G.	....	(5¾ bid 7½ asked)			
82	80	6	7.5	Do. pref.	....	(76 bid — asked)			
27¾	16½	80c	3.1	Brit. Amer. Oil	7594	26	26½	24¾	25
13	8½	.	...	B. C. Packers	546	8½	9	8½	8½
32¾	28½	1.50	5	B. C. Power (A)	2240	29½	30½	29½	30
5¾	3½	.	...	Do. (B)	135	4½	4½	3½	3½
16	8½	10c	...	Bruck S. Mills	320	9	9½	8¾	9
37½	33	1+25c	3.5	Building Prod.	779	35	36½	35	36
24½	20	.	...	Burry Biscuit	1175	22	24½	20	24½
53	51	3	5.7	Do. pref.	....	(52 bid 56 asked)			
47½	37½	2	4.9	Burt, F. N.	90	41	40½	40½	40½
				C					
86½	78	6	7	Calgary Pr. pf.	15	80	80	80	80
6	4½	.	...	Canada Bread	240	4½	5	4¾	4¾
97	90	1.25+50c	...	Do. pref. A.	....	(97 bid 100 asked)			
44	30	.	...	Do. pref. (B)	15	40	41	40	40
10½	6½	40c	...	Canada Bud	675	10	9½	9	9
8	6	.	...	Canada Cement	840	6½	6½	6½	6½
75	58	.	...	Do. pref.	1811	68	74	69	72
70	57	1.50+1	4.2	Can. & D. Sug.	25	60	59	59	59
b16½	10½	.	...	Canada Dry	4800	14	13¾	12½	13½
7	3	.	...	Can. Forg. (A)	....	(4½ bid 6 asked)			
2	2	.	...	Do. (B)	....	(2 bid — asked)			
50	40	.	...	Canada Iron	....	(30 bid 50 asked)			
60	60	3	5	Do. pref.	....	(51 bid — asked)			
35	30½	1.50+50c	6.2	Can. Malting	248	32	32	31½	32
25½	22½	1.20	4.9	Can. Nor. Pr.	368	24½	25	24	24¾
111	107½	7	6.3	Do. pref.	60	109	111	109½	111
93	80	3	3.6	Can. Packers	5	83	83	83	83
118	105	.	...	Can. Paper, pf.	....	(109 bid — asked)			
2	1½	.	...	Can. Paving, pf.	....	(1¾ bid 3½ asked)			
150	137½	8	5.4	Can. Perman.	11	149½	148	148	148
3½	1	.	...	Can. Steamsh's.	100	1½	1½	1½	1½
15½	6½	.	...	Do. pref.	305	6½	6½	6½	6½
27½	19½	1.20	5.7	Can. Vinegars	145	20	21	20½	20½
27	20½	.	...	Can. W. Cable	....	(26½ bid 29 asked)			
12½	9	.	...	Do. (B)	50	10	11	11	11
102½	98½	.	...	Do. pref.	....	(104 bid — asked)			
4	2	.	...	Can. Bakeries	....	(2 bid 3½ asked)			
57	41	.	...	Do. pref.	10	42	41	41	41
170	146	8	5.2	Can. Bk. Com.	286	153½	154	152	153
41	31	1	2.7	Can. Bronze	25	38	38	37	37
116	101½	5	4.6	Do. pref.	2	108	108	108	108
5½	4	.	...	Can. Canners	85	4½	4½	4½	4½
100	88½	6	6	Do. 1st pfd.	161	99½	100	99¾	100
8½	5	.	...	Do. 2nd. pfd.	2432	6½	7	5½	6¾
8	5½	.	...	Can. Car. & Fd'y	1020	6½	6¾	6½	6¾
17¾	13	.	...	Do. pref.	795	15½	16	15½	15½
31½	25½	40c	...	Can. Celanese	815	29	29¾	29½	29¾
128	112	7	5.8	Do. pref.	195	120	120½	120	120
21½	18	.	...	Do. Rights	610	20	21½	21	21
30	22½	2	8	Can. Convert.	5	27	25	25	25
51	48	4	7.8	Can. Cottons	60	51	51	51	51
105	97	6	6	Do. pref.	11	100	100	100	100
50	37	2+1	6.1	Can. Dredge	320	49	49½	48½	49
100	98½	6	6.1	Can. Fairb., pf.	....	(91 bid — asked)			
34	23½	1.60	5.5	Can. For. Inv.	25	28½	29	29	29
107	105	8	7.5	Do. pref.	....	(107 bid — asked)			
175	150	5	3.1	Can. Gen. Elec.	....	(155 bid 168 asked)			
8½	7½	40c	...	Can. G. Inv.	....	(7½ bid — asked)			
48	26	.	...	Can. Hyd. El. p.	287	34½	34	31½	32
12½	6½	.	...	Can. Ind. Alco.	5775	6½	7½	6¾	7¼
11½	5½	.	...	Do. (B)	425	5½	6½	5½	6½
225	221	4+75c	...	Can. Indust. B.	....	(217 bid — asked)			
4	1	.	...	Can. Int. I. Tr.	15	1	1½	1½	1½
65	35	.	...	Do. pref.	8	55	55	55	55
23	20	1	5	Can. Lt. & Pr.	....	(21 bid — asked)			
4	2½	.	...	Can. Locomo.	....	(— bid 3 asked)			
b2¾	1½	.	...	Can. Marconi	1979	1¾	1¾	1¾	1¾
18	12	50c	4.2	Canadian Oil	....	(11½ bid 12 asked)			
130	123	8	6.2	Do. pref.	55	130	130	130	130
15¾	10½	.	...	Can. Pacific	9620	13	12¾	12½	12½
.15	.10	.	...	C. Pr. & Pa. In.	....	(.15 bid .50 asked)			
7	4½	.	...	Do. pref.	200	6	6	6	6
3½	1½	.	...	Can. Vickers	....	(2 bid 2¾ asked)			
25	12	.	...	Do. pref.	50	18	14½	14½	14½
26	25	.	...	C. Wallpaper B.	50	..	26	25	25
3½	2	.	...	Can. Wineries	30	2½	3½	3½	3½
26½	21	1.50	...	Can. Wire Box.	155	25	25	25	25
102½	100	5	4.9	Carnation, pf.	100	101	102½	101	101½
4	2½	.	...	Catelli Food	20	3¾	4	4	4
15	12	38c	...	Do. pref.	85	12	12½	12½	12½
165	165	8	4.8	Cent. Can. Loan	....	(160 bid 195 asked)			
1.60	.85	.	...	Chem. Research	6750	1.24	1.36	1.10	1.26
3.00	1.50	.	...	City Gas & Elec.	10	1.75	1.50	1.50	1.50
.60	.25	.	...	Claude Neon	1300	.25	.40	.30	.30
14½	12¾	92c	...	Coast Brew.	75	13	13½	13	13
5½	4	.	...	Do. Rights	395	5½	5½	5½	5½
9¾	6½	.	...	Cockshutt Plow	1350	7¾	7¾	6¾	7
1.35	.60	.	...	Comm. Alcohol.	....	(.60 bid .75 asked)			
18¾	15½	80c	4.6	Cons. Bakeries	427	16½	17½	16½	17
4	2	.	...	Cons. Paper	6317	3½	4	3½	4
9	5	.	...	Cons. Press	80	5	5½	5½	5½
35	33	.	...	Cons. Sand, pf.	....	(31 bid 35 asked)			
57¾	51	50c	...	Cons. Smelters	3148	54¾	54½	53½	54
205½	189	10	4.9	Consumers' Gas	118	202¾	203	202	202
90	78	7+	8.6	Corr. P. Box, p.	....	(80 bid 81 asked)			
22¾	17½	80c	3.6	Cosmos Imp.	300	20½	22½	20½	22
105	102	5	4.8	Do. pref.	....	(102¾ bid — asked)			
17	15	80c	5.2	Crown Cork	215	15½	15½	15	15½
2¾	2	.	...	Crown Dom. Oil	....	(1¾ bid 2 asked)			
56	30	3	...	Crow's N. Coal.	45	52	56	50	50
				D					
4	2	.	...	David & Fre. A	....	(2½ bid 2¾ asked)			
1½	½	.	...	Do. (B)	....	(— bid 1 asked)			
7	2	.	...	De Havilland	25	3½	3½	3½	3½
68	40	.	...	Do. pf.	....	(— bid 61½ asked)			
4	4	.	...	Disher Steel	....	(— bid 3½ asked)			
11½	7½	.	...	Do. pref.	....	(8 bid 10 asked)			
34¾	18½	.	...	Distill-Seagram.	2210	20½	22½	20¾	20½
222½	190	10	5	Dom. Bank	73	202½	202	200	200
40½	32	1.20	3.1	Dom. Bridge	2460	38¾	39½	38¾	39
17¾	14	1.50	9.4	Dom. Coal, pf.	2025	15½	16½	15¾	16½
36	26½	.	...	Dom. Engineer.	100	33	33	33	33
41	32	.	...	Dom. Foundries	....	(43½ bid 47½ asked)			
115	106	5	4.5	Dom. Glass	20	110	110	109	109
155	135	7	4.7	Do. pref.	35	155	150	150	150
35¾	33	.	...	Dom. Oilcloth	50	34	34	34	34
100	95	7	7.4	Dom. Rubber, p	....	(99½ bid — asked)			
8	3½	.	...	Dom. St. & C. B.	988	4¾	4¾	4½	4½
12	8	.	...	Dom. Stores	1820	8½	8¾	8½	8¾
7½	4½	.	...	Dom. Tar & Ch.	370	5½	5½	5½	5½
80	57	.	...	Do. pref.	115	80	80	80	80
79	60	5	8.3	Dom. Textile	1300	62	63	60	63
148	143	7	4.9	Do. pref.	1	146	143	143	143
9½	4½	.	...	Donnacona P. A.	566	7	7½	7	7
7½	2½	.	...	Do. (B)	255	5½	6½	5¾	6½
7	4½	.	...	Dryden Paper	445	5½	5	5	5
				E					
2½	1	.	...	East. Koot. Pr.	....	(2½ bid — asked)			
16	5	.	...	Do. pref.	....	(— bid 14 asked)			
3½	1¾	.	...	East. Dairies	75	1¾	1¾	1¾	1¾
16½	10	.	...	Do. pref.	....	(— bid 12 asked)			
13½	10	.	...	East. Steel	5	13	13	13	13
101	80	7	7	Do. pref.	115	100	100	100	100
85	80	7	8.7	East. Theat., pf.	....	(72½ bid 85 asked)			
3	1½	.	...	Easy Washing	50	3	3	2¾	3
24	20	62½c	...	Economic Inv.	15	23	23½	23½	23½
28½	19½	1.60+10c	...	Electrolux	160	24	23¾	23½	23½
3	1	.	...	Enam. & Heat.	....	(1½ bid 3 asked)			
24	10½	.	...	Eng. Electric	350	19½	20	19½	20
12½	4	.	...	Do. (B)	31	8	8½	8½	8½
7	7	.	...	European El. A	....	(2 bid — asked)			
.35	.35	.	...	Do. Warrants.	....	(.35 bid — asked)			
				F					
21½	18	.	...	Fam. Players	15	20	20	20	20
20	14	.	...	Do. Vot. Tr.	....	(13 bid 13½ asked)			
17½	13½	50c	3.6	Fanny Farmer	2050	13¾	14	13¾	14
28½	20	75c	3.7	Ford Motors A.	3248	20½	20½	20	20½
3.00	.65	.	...	For. Pr. Secs.	....	(.65 bid — asked)			
18¾	13	.	...	Foundation Co.	345	14	14	13	13½
19½	9	.	...	Fraser Cos.	1100	13½	14½	12½	14½
19	8	.	...	Do. Vot. Tr.	1213	12½	13	12	12
.74	.00½	.	...	Do. Rights	14756	.05	.05	.00½	.00½
60	55	6	10.7	Freiman, pf.	....	(57 bid — asked)			
8	2¾	.	...	Frost Steel	....	(— bid 5 asked)			
100	89	3.50	...	Do. pref.	....	(95 bid 98 asked)			
				G					
5¾	3	.	...	Gen. St. Wares	16	3½	3½	3½	3½
65	45	.	...	Do. pref.	25	47	50	50	50
73	64½	2.50	3.6	Goodyear Tire	65	69	70	66	70
59	53½	2.50	4.3	Do. pref.	66	57½	58	57½	58
3	1	.	...	Gt. W. Saddlery	5	2	1½	1½	1½
30	13	.	...	Do. pref.	....	(18 bid 25 asked)			
8½	5½	.	...	Gurd, Chas.	185	5½	6	5½	6
100	100	7	7	Do. pref.	....	(93½ bid 100 asked)			
8½	5½	.	...	Gypsum, Lime	1136	6½	6½	6½	6½
				H					
6½	4	.	...	Ham. Bridge	35	5½	5¾	5½	5¾
39½	25½	.	...	Do. pref.	225	38½	40	39	40
29½	25½	2	7	Ham. Cot., pf.	20	28½	28½	28½	28½
1½	1	.	...	Ham. U. Theat.	....	(1½ bid 2 asked)			
53	50	4	7.6	Do. pref.	5	52½	52½	52½	52½
4	2½	5c.	...	Harding Carpet.	380	3½	4	3½	3½
9	1½	.	...	Hillcrest Coll.	....	(2½ bid 10 asked)			
16	7	.	...	Do. pref.	....	(— bid 15 asked)			
15½	12	50c	3.8	Hinde & Dauch.	175	12½	13	13	13
7	6	.	...	Holt Renfrew	....	(4 bid — asked)			
40	30	.	...	Do. pref.	....	(35 bid — asked)			
.70	.40	.	...	Honey Dew	....	(.50 bid .65 asked)			
12	7	.	...	Do. pref.	60	10	10	10	10
14½	9½	.	...	H. Smith Pap.	780	11	11½	11	11½
119	88	1.50	...	Do. pref.	136	90¾	91½	90	90
35	29½	2	6.7	Humberstone S.	10	30	30	30	30
7½	4½	.	...	Hunts (A)	....	(5 bid 7½ asked)			
7½	6	.	...	Do. (B)	....	(6 bid 8 asked)			
90	72	5	6.7	Huron & E. Mt.	18	75	75	74	75
12½	10	.	...	Do. 20% pd.	15	10	11	11	11
10½	6½	.	...	Hydro Electric	40	7½	7½	7	7½
				I					
221	198	10	4.9	Imperial Bank	47	208	206	202½	204
24½	20½	50+75c	5.9	Imperial Oil	12767	21½	21¾	20¾	20¾
14½	13½	52½c	3.7	Imperial Tob.	2652	13¾	14	13¾	14
7½	7	6%	...	Do. pref.	125	7½	7¾	7¾	7¾
30	19	1	...	Inter. City Bak.	....	(27 bid 31 asked)			
48	40	4.50	...	Inter'c Coal	2	43	48	48	48
115	115	8	6.9	Do. pref.	....	(115 bid — asked)			
b5½	2½	.	...	Int. Hyd. E. A.	3500	2½	3½	2½	3
7½	4	.	...	Int. Metal Ind.	630	6¾	7½	6½	7½
48	30	.	...	Do. pref.	10	43	48	48	48
105¾	101	5	4.8	Inter. Mill., pf.	....	(102½ bid 103¾ asked)			
54	43½	1.20	2.4	Inter. Nickel	14901	50	50½	49½	49¾
6	2½	.	...	Inter. Paints	140	2¾	3	3	3
29½	15	1.12½▲	...	Do. pref.	30	23	15	15	15
b7¾	3½	.	...	Int. Pa. & P. A.	12800	4¾	6½	5	6
b4	2½	.	...	Do. (B)	3400	2¾	3½	2¾	3
b3½	1½	.	...	Do. (C)	7000	2½	2½	2½	2½
b37½	20½	.	...	Do. pref.	53000	30¾	37	31½	35½
39¾	33½	1.50+1	6.9	Inter. Pete.	7162	36¾	36½	35¾	36
6	3	.	...	Inter. Power	35	3½	3½	3	3
93	57	6	6.5	Do. pref.	474	91	93	90	93
15½	13	.	...	Int. St. Rly. A.	....	(13½ bid 14 asked)			
14½	3½	.	...	Int. Util. (A)	15	9½	9½	9	9½
2.25	.40	.	...	Do. (B)	1375	1.15	1.25	1.10	1.25
				J					
36	33	1.50	4.2	Jam. Pub. Ser.	....	(35½ bid — asked)			
127	123½	7	5.5	Do. pref.	....	(127 bid — asked)			
				K					
9	6½	.	...	Kelvinator	50	7	7½	7½	7½
107	105½	7	6.6	Do. pref.	....	(105½ bid — asked)			
				L					
22	16½	.	...	Lake of Woods.	995	20	20¾	19¾	20½
143	123	1.75	...	Do. pref.	40	143	143	140	140
58	54	5	9.2	Landed Bank	....	(55 bid 82 asked)			
4	3	.	...	Langley's	....	(1½ bid 4 asked)			
50	35	.	...	Do. pref.	10	40	40	40	40
69¾	64¾	3	4.3	Laura Secord	110	69	69¾	69	69¾
4	2	.	...	Lindsay, C. W.	5	3½	3½	3½	3½
50	40	.	...	Do. pref.	10	41	50	50	50
21½	18¾	1	4.8	Loblaw (A)	1591	20¾	21½	20¾	20¾
19	17½	1	5.3	Do. (B)	1277	18½	18½	18½	18½
				M					
4	4	.	...	Manitoba Pr.	....	(1¾ bid 3 asked)			
.50	.50	.	...	M. L. Gardens.	....	(.50 bid 1.50 asked)			
4	2½	.	...	Do. pref.	....	(3 bid 3½ asked)			
2.25	1.00	.	...	Maple Leaf	435	1.25	1.50	1.10	1.50
5½	2	.	...	Do. pref.	205	3½	3½	3	3½
*12½	12	60c	...	Maritime Tel.	....	(13¾ bid — asked)			
15	15	70c	4.7	Do. pref.	....	(14½ bid — asked)			
18	18	.	...	Marcus Loew's	....	(14½ bid 18 asked)			
115	111	7	...	Do. pref.	....	(116 bid 119 asked)			
7½	4½	.	...	Massey-Harris	3481	5½	5½	5	5
40	29½	.	...	Do. pref.	536	33½	34	32½	33½
17¾	12½	80c	5.3	McColl Fron.	2288	15½	15½	14½	15
105	96½	6	5.8	Do. pref.	308	104	103	102½	102½
13¾	9	.	...	Melchers (A)	425	10	11½	10	11½
5½	3½	.	...	Do. (B)	....	(3½ bid 4 asked)			
13½	9	.	...	Mercury Mills, p	25	12	13	13	13
36	30	1	...	Mitchell, J. S.	5	36	36	36	36
110	110	7	6.4	Do. pref.	....	(110 bid — asked)			
8	5½	.	...	Mitchell, Robt.	16	6½	6½	6½	6½
5	3	.	...	Monarch, Knit.	20	3¾	3½	3½	3½
90	85	7	8.2	Do. pref.	6	88	88	88	88
35	26	.	...	Montreal Cot.	15	32	32	32	32
100	85	7	7.5	Do. pref.	11	93	94	93	94
2½	1½	.	...	Mont. Is. Pr.	10	1½	2	2	2
34	30	1.50	4.8	Mont. L. & Pr.	5347	31	31½	30½	30½
26	26	2	7.7	Montreal Loan	10	26	26	26	26
9	9	.	...	Mtl. Ref. & S.P.	....	(2 bid — asked)			
2	2	.	...	Do. Vot. Tr.	....	(9 bid — asked)			
60	55½	3.20	5.7	Montreal Tele.	35	55½	56½	56½	56½
103	85	9	9.7	Montreal Trams	17	93	93	92½	92½
39	27½	1	2.6	Moore Corp.	207	38½	39	38	38½
165	146	7	4.2	Do. pref. (A)	51	160	165	160	160
230	175	7	3	Do. pref. (B)	....	(227 bid — asked)			
1.00	.25	.	...	Muirheads	200	.40	.60	.60	.60
3½	3	.	...	Do. pref.	....	(— bid 6 asked)			
				N					
45	37	2	4.5	Nat. Breweries	2163	44½	45	44½	44¾
43	39½	1.75	4.3	Do. pref.	85	40	40½	40	40½
7¾	5	.	...	Nat. Grocers	150	5¾	5¾	5½	5½
135	130	7	5.3	Do. pref.	....	(133½ bid 135 asked			
20	16¾	.	...	N. Sew. Pipe A.	25	16¾	16¾	16¾	16¾
17½	13	.	...	Nat. Steel Car.	5	14¾	14	14	14
210	196	8	3.8	National Tr.	2	210	210	210	210
60	34	75c	...	Niag. W. Weav.	46	58	60	58	60
60	56	3	5	Do. pref.	165	59	60	59	59½
1.75	.90	.	...	North Star Oil.	....	(1.55 bid 1.75 ask.)			
4.10	3.15	8¾c▲	...	Do. pref.	....	3.20 bid 3.50 asked			
84½	61	3	3.6	N. S. L. & Pr.	50	75	84½	84½	84½
102½	100¾	6	5.9	Do. pref.	....	(101¾ bid — asked)			
				O					
240	199½	8	3.7	Ogilvie Flour	42	223	225	215	215
165	152	7	4.3	Do. pref.	....	(161 bid — asked)			
10	5½	.	...	Ont. Eq. 10% pd.	....	(5½ bid 6½ asked)			
119	109	6	5.2	Ontario Loan	5	112	119	115	119
14½	7	.	...	Ont. Silknit	10	7	9	9	9
90	75	7	9.3	Do. pref.	....	(75 bid 79 asked)			
8	6	.	...	Ont. Steel	....	(4 bid 6 asked)			
85	74	.	...	Do. pref.	....	(— bid 95 asked)			
.40	.25	.	...	Orange Crush	50	.35	.30	.30	.30
22	6	.	...	Do. 1st pref.	30	21¾	21	21	21
1.35	.40	.	...	Do. 2nd pref.	....	(.75 bid 1.00 asked)			
95	88	6	6.3	Ott. L. H. & Pr.	148	92	95	94½	95
110	101½	6.50	6.2	Do. pref.	15	109	107	106	106
21	15	2	12.1	Ott. Traction	10	16½	16½	16½	16½
				P					
95	78½	3	3.4	Page Hersey	55	89	90	88½	88½
6¾	3½	.	...	Pantepec Oil	1275	5¾	5¾	5	5¾
25	18	.	...	Paton Mfg.	....	(— bid 24 asked)			
100	100	7	7	Do. pref.	....	(100 bid — asked)			
57	48	3	5.7	Penmans	140	53	53	52	52
125	118	6	4.8	Do. pref.	5	122	125	125	125
27	21½	1	4.4	Photo Eng.	25	22½	22½	22½	22½
97	83½	7	8.4	Porto Rico Pr. p	....	(— bid 84 asked)			
18¾	11¾	.	...	Power Corp.	930	13¾	14	13½	14
101	97½	6	6.1	Do. pref.	81	100	99½	99	99½
2½	1½	.	...	Prairie C. Oil.	....	(— bid 1½ asked)			
29½	19	87½+12½c	...	Pressed Metals	293	28	28	26¾	28
6½	2¾	.	...	Price Bros.	1125	4	4	3½	4
40	22	.	...	Do. pref.	1395	27½	35½	27½	35½
				Q					
18	14	1	6.2	Quebec Power	520	16	16½	16	16½
				R					
*58	40	2	...	Real Estate L'n.	....	(— bid 48 asked)			
6½	4½	.	...	Regent Knit.	60	5	5	5	5
15½	12½	.	...	Do. pref.	10	15	15	15	15
10	6	.	...	Reliance Grain.	45	6	6	6	6
21½	19½	.	...	Remington R'd	....	(18½ bid — asked)			
31	29	2+25c▲	6.7	River. S. Mills	10	30	30	30	30
6½	4	.	...	Rogers Majest.	390	4½	4¾	4½	4½
104	95½	6	6.1	Rolland P., pf.	130	99¾	99	98½	99
182	164	8	4.6	Royal Bank	347	170	173	169	170
35	30	.	...	Russell Motor	....	(45 bid — asked)			
115	100	7+1▲	6.2	Do. pref.	15	109	112	110	112
				S					
11	6	.	...	Sarnia Br. (A)	....	(7 bid 8 asked)			
3	1½	.	...	Do. (B)	....	(2 bid 3 asked)			
23¾	18¾	60c	3.2	Shawinigan	1675	19	19½	18¾	19
20	16	.	...	Sher. Wms.	50	16½	16½	16	16
127½	115	7+1.75c	6.1	Do. pref.	20	115	115	115	115
12	10	.	...	Simon & Son	5	10	10	10	10
93	85	7▲	...	Do. pref.	....	(90 bid 95 asked)			
80	72½	4	5.5	Simpson, Ltd.	85	73½	73	72½	72½
12	10½	.	...	Do. (A)	....	(— bid 10 asked)			
9	4	.	...	Do. (B)	....	(7 bid 7½ asked)			
117½	111½	6	5.3	Simpson, R., pf.	10	117	112	111½	111½
14	11	80c	6.9	So. Can. Pr.	446	12	12	11½	11½
100½	98	6	6	Do. pref.	151	98½	100	98	99
2.75	1.50	.	...	St. Law. Corp.	3320	2.25	2.50	2.25	2.50
13½	8	.	...	Do. (A)	8025	13	13¾	13	13½
51	40	2	3.9	St. Law. Flour.	....	(50 bid — asked)			
130	120	7	5.4	Do. pref.	....	(— bid 130 asked)			
35½	20½	.	...	St. Law. Pap. p.	2728	33	35½	32½	35
10	6½	.	...	Stand. Chem.	29	9	8½	8	8
2	2	.	...	Stand. Clay	....	(3½ bid 9 asked)			
3.75	1.15	.	...	St. Pav. & Mat.	175	2.00	2.50	2.00	2.50
22	12	.	...	Do. pref.	10	15½	15½	15½	15½
40	20	.	...	Stand. Steel, pf.	....	(36 bid 40 asked)			
67½	57	1.75‡	2.7	Steel of Can.	455	65	64½	63	63
60½	49½	1.75	3	Do. pref.	235	58½	58¾	57½	57½
4	3	.	...	Sterling Coal	....	(3 bid 4 asked)			
2½	1	.	...	Stop & Shop	....	(¾ bid 1 asked)			
2½	2	.	...	Supersilk H.	....	(2¾ bid 3½ asked)			
72	69	3.50	...	Do. pref.	....	(66 bid 70 asked)			
38	30	1	2.8	Sup. Pete. ord.	125	35½	35¾	35	35
35	32	1	2.8	Do. com.	....	(33 bid 40 asked)			
				T					
40	32¾	.	...	Tamblyn	70	36	37	37	37
114	110	7	6.2	Do. pref.	15	110	112	112	112
5	1½	.	...	Thayers	....	(— bid 2 asked)			
37	28	.	...	Do. pref.	....	(— bid 27¾ asked)			
3	1½	.	...	Thrift Stores	100	1½	1½	1½	1½
10	5	.	...	Do. pref.	....	(5 bid 8 asked)			
11	8½	.	...	Tip Top Tailors	10	9½	9	8½	8½
106	102	7	6.6	Do. pref.	10	106	105	105	105
1	1	.	...	Tooke Bros.	....	(1 bid 3 asked)			
22	10½	.	...	Do. pref.	10	15½	11	11	11
40	34	1	2.8	Tor. Elevators	....	(34 bid 38 asked)			
119	109	7	6.1	Do. pref.	15	114	115	114	115
95	84	4	4.7	Tor. Gen. Tr.	....	(83½ bid 87½ asked)			
120	115	6	5	Toronto Mtge.	....	(121 bid — asked)			
155	150	7	4.6	Tuckett Tob. pf.	13	150	150½	150	150½
12½	8	.	...	Twin City	121	9½	10½	9¾	10½
				U					
12½	9	10c	...	Union Gas	3003	12	12½	11½	12½
20	15	30c	...	Un. Amuse. A.	....	(18 bid — asked)			
.95	.50	.	...	United Distill.	100	.65	.50	.50	.50
29	20	.	...	United Fuel, pf.	120	23	24	23	23½
25	20	2	8	United Secs.	20	25	25	24½	25
4¾	2½	.	...	United Steel	285	2¾	2¾	2¾	2¾
				V					
2½	2	.	...	Viau Biscuit	145	2½	2½	2	2
38	18	.	...	Do. pref.	20	35	35	35	35
				W					
26½	20	.	...	Wabasso Cot.	....	(16 bid 20 asked)			
34½	26½	2	6.9	Walker-Good.	2768	28¾	29½	28½	28½
19	17	1	5.5	Do. pref.	503	18½	18½	18	18
3½	2	.	...	Walkerville Br.	500	2½	2½	2	2
2.25	1.00	.	...	Waterloo Mfg.	102	1.00	1.30	1.30	1.30
10	4½	.	...	West. C. Flour.	25	5¾	5¾	5½	5¾
65	36	.	...	Do. pref.	....	(44 bid 45 asked)			
52	46½	2	4	West. Grocers.	180	52	50	49½	49½
110¾	107	7	6.5	Do. pref.	....	(108 bid — asked)			
17½	13½	80c	5.5	Weston Ltd.	945	14½	14¾	14	14½
102	98	5	5	Do. pref.	42	100½	100	99½	100
1.15	1.15	.	...	Windsor Hotel	....	(1.15 bid — asked)			
4½	4	.	...	Do. pref.	....	(4 bid 6 asked)			
4½	2¾	.	...	Winnipeg Elec.	1085	3	2¾	2¾	2¾
18	10	.	...	Do. pref.	....	(8½ bid 13 asked)			
53	38	.	...	Wood, A. & J. p	....	(— bid 50 asked)			
67½	50	.	...	Woods Mfg., pf.	70	50	55	55	55
				Z					
3½	2¾	.	...	Zimmerknit, c.	60	3¾	4	4	4
69	60	3.50▲	...	Do. pref.	....	(65 bid 85 asked)			

---

* Quotations for 1935. No sales recorded in 1936 to date.
▲ On account of arrears.
b New York quotations.
§ Plus one-eighth share of preferred stock, plus one share of common stock, all payable in settlement of arrears.
‡ Plus extra of $1.42½ paid Feb. 1, 1936.

Government Bonds

(Furnished by Toronto Bond Traders' Assoc.)
July 8, 1936

Dominion of Canada Bonds

	Rate	Due	Bid July 8	Asked July 8	Approx. Yield	Bid June 29
†‡Dominion	5	1 Mar. 1937	102.75	103.15	.05	102.80
‡Dominion	5½	1 Dec. 1937	106.50	106.90	.45	106.65
Dominion	2½	15 Oct. 1939	103.50	104.00	1.26	103.50
Dominion	4	15 Oct. 1939	108.00	108.50	1.36	108.00
Dominion	2	15 Nov. 1939	102.00	102.50	1.24	102.00
Dominion	1½	1 June 1940	100.25	100.75	1.30	100.00
Dominion	4½	1 Sept. 1940	110.35	110.85	1.79	110.35
Dominion	5	15 Nov. 1941	114.65	115.15	2.01	114.35
Dominion	3	15 Oct. 1942	105.60	106.10	1.97	105.60
Dominion	2½	1 June 1943	103.00	103.50	1.96	103.00
Dominion	5	15 Oct. 1943	115.75	116.25	2.54	115.35
Dominion	4½	15 Oct. 1944	113.75	114.25	2.57	113.60
▪Dominion	2½	15 Aug. '43-45	99.25	99.75	2.53	99.25
Dominion	4	15 Oct. '43-45	109.65	110.15	2.48▲	109.35
Dominion	4½	1 Feb. 1946	113.75	114.25	2.79	113.50
Dominion	3½	15 Oct. '44-49	105.65	106.15	2.68▲	105.65
Dominion	4	15 Oct. '47-52	108.65	109.15	3.05▲	108.50
Dominion	3	1 June '50-55	100.70	101.20	2.89▲	100.15
Dominion	4½	1 Nov. '46-56	111.50	112.00	3.15▲	111.25
Dominion	4½	1 Nov. '47-57	111.50	112.00	3.24▲	111.25
Dominion	4½	1 Nov. '48-58	112.00	112.50	3.27▲	111.75
Dominion	4½	1 Nov. '49-59	112.20	112.70	3.33▲	112.00
▪Dominion	3¼	15 Jan. '56-61	101.50	102.00	3.11▲	101.25
Dominion	3¼	1 June '56-66	101.25	101.75	3.13▲	100.60

Dominion Guaranteed Bonds

	Rate	Due	Bid July 8	Asked July 8	Approx. Yield	Bid June 29
*G. T. P. Ry.	3	1 Jan. 1962	100.50	101.50	2.92	100.25
Can. N. Ry.	3	1 May 1944	104.00	105.00	2.30	104.00
Can. N. Ry.	3	15 Dec. '45-50	100.50	101.50	2.82▲	100.00
Can. N. Ry.	3	15 Feb. '48-53	99.75	100.75	2.93▲	99.50
Can. N. Ry.	3	1 Sept. 1951	115.50	116.50	3.15	115.50
*Can. N. Ry.	4½	1 Feb. 1956	115.75	116.75	3.34	116.00
*Can. N. Ry.	4½	1 July 1957	113.50	114.50	3.52	113.50
†Can. N. Ry.	4½	15 June 1955	117.75	118.75	3.40	118.00
*Can. N. Ry.	4¾	1 Feb. 1954	117.75	118.75	3.58	117.75
Can. N. Ry.	5	1 July 1969	118.00	119.00	2.88▲	118.00
*Can. N. Ry.	5	1 Oct. 1969	120.00	121.00	3.35▲	120.00
*Can. N. Ry.	5	1 Nov. 1969	120.25	121.25	3.33▲	120.25
*M. Harb. C.	5					

Provincial Government Bonds

	Rate	Due	Bid July 8	Asked July 8	Approx. Yield	Bid June 29
Eastern—						
N. Bruns.	4	1 Sept. 1954	104.50	105.50	3.59	105.00
†N. Bruns.	4½	15 Apr. 1961	110.50	111.50	3.78	110.75
†N. Bruns.	5	15 Jan. 1960	115.25	116.25	3.94	115.50
N. Scotia	3	2 Sept. 1945	99.50	100.50	2.94	99.50
N. Scotia	4½	15 May 1943	108.00	109.00	3.04	108.25
†N. Scotia	4½	15 Sept. '47-52	110.25	111.25	3.32▲	110.25
†N. Scotia	5	1 Mar. 1960	117.25	118.25	3.83	117.25
*Ontario	4	1 June 1962	107.00	108.00	3.53	107.00
*Ontario	4½	1 Sept. 1944	112.00	113.25	2.69	111.50
Ontario	4½	1 June 1950	111.00	112.00	3.42	111.00
*Ontario	4½	15 Jan. 1962	114.00	115.50	3.58	112.50
Ontario	5	15 Oct. 1948	115.25	116.25	3.34	115.00
*Ontario	5	2 Dec. 1960	121.00	122.50	3.61	120.00
Ontario	5½	1 July 1946	116.75	117.75	3.39	116.75
O. H. C.	3½-4-5	1 Oct. '36-52	101.50	102.50	4.25•	101.50
Ont. Hyd. C.	4¾	1 Jan. 1970	115.00	116.00	3.89	115.00
P. E. I.	3	1 Oct. 1945	99.50	100.50	2.94	99.50
Quebec	4	15 Mar. 1952	107.25	108.25	3.33	107.00
Quebec	4¼	1 Aug. 1958	110.25	111.25	3.52	110.00
Quebec	4½	2 Jan. 1963	111.50	113.00	3.73	111.50
Western—						
Alberta	4	15 Dec. '49-54	63.00	68.00	§	63.00
†Alberta	4	1 Dec. 1957	63.00	68.00	§	63.00
Alberta	4½	1 Oct. 1951	70.00	75.00	§	70.00
†Alberta	4½	1 Oct. 1956	65.00	70.00	§	67.00
†Alberta	5	1 Jan. 1948	66.00	70.00	§	68.00
Alberta	5	1 Sept. 1955	66.00	70.00	§	68.00
*Alberta	5	1 Oct. 1959	66.00	70.00	§	68.00
†Alberta	5½	1 Jan. 1947	68.00	71.00	§	70.00
Alberta	6	1 Mar. 1947	68.00	73.00	§	71.00
†Brit. Col.	4	1 Dec. 1957	83.00	87.00	4.99	81.00
*Brit. Col.	4½	15 Jan. 1951	88.00	91.00	5.38	87.00
†Brit. Col.	4½	1 Oct. 1953	87.00	90.00	5.39	86.00
†Brit. Col.	5	15 Jan. 1948	92.50	94.50	5.64	90.00
Brit. Col.	5	1 Sept. 1953	92.00	94.00	5.54	90.00
Brit. Col.	5½	1 Feb. 1945	93.00	95.00	6.26	91.50
Brit. Col.	6	15 Feb. 1947	95.00	97.00	6.38	92.50
Manitoba	4	2 Jan. 1950	92.00	94.00	4.56	91.00
†Manitoba	4	1 Dec. 1957	93.00	95.00	4.38	92.00
†Manitoba	4½	15 Dec. 1956	97.50	99.50	4.54	96.00
†Manitoba	5	15 June 1954	100.00	103.00	4.75	100.00
*Manitoba	5	2 Dec. 1959	104.00	107.00	4.52	103.00
Manitoba	5½	1 Oct. 1955	100.00	101.00	5.42	100.00
Manitoba	6	1 Apr. 1947	100.00	102.00	5.75	100.00
Sask.	4	15 Aug. 1953	79.00	82.00	5.63	78.00
Sask.	4	1 Nov. '55-60	78.00	80.00	5.49	76.00
*Sask.	4½	2 July 1948	90.00	94.00	5.35	88.00
†Sask.	4½	1 Oct. 1951	89.00	90.50	5.42	88.00
†Sask.	4½	15 Mar. 1960	87.00	89.00	5.32	85.00
Sask.	5	1 Aug. 1958	89.00	91.00	5.72•	88.00
†Sask.	5½	15 Nov. 1946	92.00	95.00	6.11	92.00
Sask.	5½	1 Oct. 1952	91.50	94.00	6.08	92.00
Sask.	6	15 Mar. 1952	93.00	96.00	6.40	93.00

Municipal Bonds

	Rate	Due	Bid July 8	Asked July 8	Approx. Yield	Bid June 29
†Halifax	5	1 July 1961	113.50	115.00	4.04	113.50
Hamilton	5	1 May 1950	108.75	110.75	3.98	108.75
Montreal	5	1 Mar. 1945	100.50	102.00	4.72	101.50
Ottawa	4½	1 July 1945	110.50	112.50	2.91	110.50
†Quebec	5	1 June 1959	107.00	108.00	4.41	108.00
St. John	5	15 Dec. 1950	107.00	108.50	4.21	107.00
†Toronto	4½	1 Jan. 1955	112.50	114.50	3.45	111.50
Winnipeg	5	1 Mar. 1944	100.00	103.00	4.53	100.00

*Payable Can., N.Y. & £. ▲Calculated to call date giving lowest possible yield. †Payable Can. & N.Y. •Calculated to maturity although callable prior to that date. ‡Exempt from Dominion income tax. ▪Payable in N.Y. §Traded flat.

Corporation Bonds

(Supplied by Toronto Bond Traders' Association)
July 7, 1936

Public Utility Issues:	Int. Rate %	Due	Bid July 7	Asked July 7	Bid June 29
*Ass. Tel. & Tel.	5½	'55	88½	91½	86½
‡Avalon 'Phone.	5½	'48	101	...	101
Beauharnois P.	5	'73	30½	33½	32
Do. L. H. & P.	5½	'73	95	98	97
*Bell T'phone	5	'55	116	119	115½
*Do.	5	'57	119½	...	121½
†B. C. Power	5	'60	106	108	104½
†Do.	5½	'60	106	108½	106
†B. C. T'phone.	5	'60	107	110	107
*Calgary Power	5	'60	99½	100½	99
*Do.	5	'64	96	98	94½
†Can. Nor. Pwr.	5	'53	103	106	102½
*Dom. Gas & El.	6½	'45	92½	95½	92½
*Gatineau Pr.	5	'56	97½	100½	97
*Do., A	6	'41	95½	98½	95
*Do., B	6	'41	94½	97½	94
*Int'l. Hydro	6	'44	46½	49½	41
*Int'l. Pwr.	6	'57	96½	99½	96
*Do.	6½	'57	99	102	96½
†Maclaren-Que.	5½	'61	79½	82½	79½
†Do.	5½	'64	78½	81½	77½
†Mtl. Island Pr.	5½	'57	104	107	104½
†Mtl. L. H. & Pr.	3½	'56	101	103	102
†Montl. Tram.	4½	'55	79	82	73½
†Do.	5	'41	102	104	102
†Do.	5	'55	82	85	81
Nfld. L & P.	4½	'56	99½	102½	...
Nat'l. L. & P.	6	'49	97½	100½	98
†N.S. L. & P.	5	'58	105½	108½	105
†Ottawa Light	5	'57	107½	...	107
†Ottawa Tract.	5½	'53	100	103	100
†Ottawa Val. Pr.	5½	'70	77	80	77½
†Power Corp.	4½	'59	96½	99½	98
*Quebec Pr.	5	'68	106	108½	105½
Saguenay Pr.	4½	'66	101	104	...
†Shawinigan	4	'61	97½	100½	97
†Do.	4½	'70	103½	106	103½
†South Can. Pr.	5	'55	106	108	105½
†United Secs.	5½	'52	83	86	83½
†West. Pwr. Co.	5	'49	105½	...	103
*Winnipeg Elec.	4½	'60	103	106	103
*Do.	6	'54	83½	86½	83
Industrial and Realty Issues:					
†Abitibi Pwr.	5	'53	55½	58½	49
Acadia Sugar	4½	'55	101	104	101
†Alta. P. Grain	6	'46	98	101	98½
Asbestos Corp.	5	'42	106	...	106
Balfour Bldg.	6	'34	39	42	38½
B. A. Oil	4	'45	104	107	104
Burns & Co.	5	'58	78	82	80
Can. Bread	6½	'41	109	...	109
†Can. Cement	5½	'47	105½	108½	106
†Can. Paper	6	'45	103	...	102½
†Can. Ss. Lines	5	'43	103	...	103
†Do.	6	'41	55	58	54
Can. Canners	4	'51	97½	100½	97
Can. Bakeries	6½	'45	88½	...	88½
*Can. Int. Paper	6	'49	92½	95½	91
C. P. R.	3½	'51	95	98	95½
Do.	4	'49	103	106	103½
Do.	5	'44	100	103	100
Can. Rail & H.	6½	'51	62½	65	62½
†Can. Vickers	6	'47	91	94	92½
†Cons. Paper	5½	'41	49	52	...
*Dom. Coal	6	'55	95½	98½	...
Dom. Sq. Corp.	6	'48	54	57	52
‡Dom. S. & C.	6½	'55	58	61	...
†Dom. Tar	6	'55	105	108	...
Dom. Textile	6	'49	104	107	104
†Donnacona P.	5½	'48	85½	88½	80½
*East. Dairies	6	'49	82	85	82½
*Fam. Players	4½	'51	97	100	...
†Federal Grain	6	'49	100	103	100
*Fraser Cos.	6	'50	96½	...	...
†G. Steel Wares	6	'52	102½	105½	102
Godfrey Rlty.	6	'42	...	45	...
*Gt. Lakes Pwr.	6	'50	54	57	53
†Gypsum, Lime	5½	'48	98	101	99
†Gr. Br. & Can. Invest.	4½	'59	81½	84½	...
Ham. Cottons	5½	'46	102½	105½	102½
*Ham. B.-P. C.	5	'50	98	101	97½
*Hinde & Dauch	5½	'48	102½	105½	103
†Inter. Paper	6	'55	85½	88½	...
†Int. P. & P. N.	5	'68	103	106	103
Inter. City Bak.	5½	'48	103	106	103
Inter City W. B.	6½	'50	36	39	36½
†Kingston Elev.	6	'50	94	97	95
†Lake St. John P. & P.	6½	'47	112	115	110
†Do.	6	'48	...	...	73½
†Lon. Can. Inv.	5	'48	89½	92½	89
†Maple Leaf M.	5½	'48	52½	55½	51
†Massey Harris	5	'47	88½	91½	89½
†McColl-Front.	6	'49	105	108	104½
†Mercury Mills	5½	'53	53	56	55
†Mersey Paper	6	'49	96	99	96
*M. & O. Paper	6	'45	43½	46½	30
Mont. D. Docks	6	'48	79	82	...
Nat. Grocers	4	'36-47	101	...	...
†Nor. Amer. El.	6	'35	...	98½	101
Nor. Ont. Bldg.	6½	'39	94½	97½	94
Ontario Bldg.	6½	'43	30	34	30
*Prov. Paper	5½	'47	100½	103½	100½
Queen's Hotel	6	'47	93½	...	93½
*Reliance Grain	6	'48	103½	106½	103
†Restigouche	6	'48	100	103	101½
Rich. B. Bldg.	6½	'47	104½	107½	99
†Rolland Paper	5½	'48	104½	107½	104½
Ruddy & Co.	6	'48	99	102	96½
†Simpsons Ltd.	6	'49	104½	107½	105
†Smith, Howard	5½	'53	105½	108½	105½
†Steel of Can.	6	'40	113	116	113½
Sterling Coal	6	'40	86½	...	86½
Stop & Shop	6	'47	...	52	...
Twin City Rapid Tr'sit.	5½	'52	82½	85½	81
United Amuse.	5	'56	98½	101½	98½
United Corp.	5	'53	94½	97½	93½
Unit. Grain G.	5	'48	97½	100½	98
Do.	5½	'48	102½	105½	102
Union Gas	4½	'43-50	97	100	96½
†Western Grain	6	'49	...	82	...
Windsor Hotel	6½	'47	55	58	...
Zimmerknit	6	'51	96	99	98

‡Payable in Canada or U. K. †Payable in Can., U. S., or U. K. *Payable in Can. or U. S. ▪Unstamped.

Unlisted Mines

July 7, 1936

	Bid	Asked
Albany River	.59	.61
Ardeen	.14	.16
Area	.04	.05
Arrow Head	.37	.40
Athabaska	...	.21
Athona (Gt. B. L.)	.47	.49
Bailor	.04½	.05½
Bankfield Gold	.73	.76
Big Master	.51	.54
Blue Star	.31	.35
Bousquet Gold	.11½	.13
Big Long Lac	...	.06¼
Brae Breest	.14½	.15½
Callinan Flin Flon	.15	.18
Can. Kirkland	.03	.03¾
Capital Rouyn	.25	.27
Casey Contact	.05	.06½
Casey Summit	.25	.27
Central Porcupine	.61	.64
Chromium	2.05	2.10
Coin Lake	.20½	.23
Columario (new)	.03	.04
Cuniptau	.32	.35
Dunlop (new)	.12	.13
Dorval Siscoe	.28	.31
Frontier R. Lake	.16	.19
Gilbec	.06½	.07½
Gillies Lake	.60	.65
Glenora	.33	.36
Gold Eagle	2.15	2.20
Goldside	.27	.29
Golden Crest	.30	.33
Golden Gate	.32	.34
Golden Rose	1.05	1.10
Gordon Lebel	.35	.37
Horseshoe	.06	.06½
Hudson Patricia	.25	.27
Jellicoe	.19	.22
Johnson Nipigon	.06	.07½
Kaw Crow	.35	.38
Lafayette L. Lac	.04½	.05
Lapa Cadillac	.35	.39
Leitch Gold	.61	.64
Long Lac Lagoon	.11	.12
Madsen Red L.	.87	.89
Manitoba Basin (new)	.06	.07
Magnet Lake	.11	.13
Martin McNeely	.94	.97
Matachewan Can.	.13	.15
May Spiers	.38	.41
McCarthy Webb	.35	.38
Mosher	.47	.51
Moffatt Hall	.10	.10½
Moffatt Hall (new)	.35	.38
Murmac	.13	.14
North Shores	.03½	.04½
Oklend	.37	.40
Opemiska	1.30	1.40
Oriole	.08	.09½
Paulore	.32	.35
Porcupine Gold R.	.04½	.05
Proprietary M.	.45	.48
Queen Lebel	.12	.14
Ricard Ramour	.69	.73
Rice Lake	.09	.11
Rubec	.09	.10½
Sand River	.31	.34
Skookum	.35	.38
Smelter Gold	.08½	.09½
South Keora	.16	.18
Spooner	.25	.27
Springer	.11	.12
Straw Lake	.12	.14
Sturgeon R. Gold	.45	.48
Wendigo	.20	.22
W. Red Lake	.08½	.10
West Side L.	.17	.19
White Horse	.31	.34
Wilson R. Lake	.33	.35
Winoga	.33	.36
Young Davidson	.21	.23
Young Shannon	.18	.20

Unlisted Stocks

(Furnished by A. J. Pattison Jr. & Co., Toronto)

July 7, 1936

	Bid	Asked
INDUSTRIAL STOCKS:		
Acadia Sugar, com.	4.20	....
Do., pfd.	4.70	5.00
Acme Farmers Dairy, pfd.	33.00	
Algoma Steel, new pfd.	50.00	55.00
Andian National	48.00	49.50
Assoc. Tel. & Tel., pfd.	40.00	45.00
B. C. Pulp & Paper, pfd.	7.50	10.00
Burns & Co., A	10.50	12.00
Do., B	5.75	6.25
Canada Paper, pfd.	110.00	116.00
Canada Starch, pfd.	94.00	98.00
Canada Tea, pfd.	31.00	....
Can. Tube, 1st pfd.	47.00	....
Can. Wire & Cable, pfd.	104.00	107.00
Can. Industries, A com.	214.00	....
Do., B com.	213.00	217.00
Do., pfd.	157.00	160.00
Can. Ingersoll-Rand	100.00	115.00
Can. Westinghouse	57.00	59.00
Chase, A. W., pfd. bonus	24.50	25.75
Claude Neon, pfd.	2.75	3.50
Conduits Nat., new com.	2.50	3.00
Dom. Found. & Steel, com. (new)	41.50	....
Do., pfd. (new)	91.00	95.00
Dom. Rubber, pfd.	99.50	101.50
Dunlop Tire, pfd.	80.00	....
East. Dairies, pfd.	8.00	10.00
Edmon. City Dairy, pfd.	60.00	....
Federal Grain, com.	1.50	2.50
Do., pfd.	....	58.00
Goderich Elevator	10.00	11.00
Greening Wire, pfd.	104.50	107.00
Guelph Carpet, pfd.	104.00	108.00
Do., com.	16.00	17.25
Highland Dairy, com.	3.00	....
Do., pfd.	78.00	....
Inter. City Bak., com.	26.50	29.50
Inter. Met. Indust., A pfd.	41.50	....
McLaren Power, com.	9.00	11.00
N. Meth. Laund., pfd. bonus	78.00	81.00
Ont. Tobacco Plant, pfd.	30.00	35.00
Prov. Paper, pfd.	100.00	103.00
Reliance Grain, pfd.	81.50	83.00
Rob. Consol. Cone	8.50	9.25
Ruddy, E. L., pfd.	37.00	40.50
Silverwood's Dairies, pfd.	52.00	....
Stand. Fuel, pfd. bonus	104.00	106.50
Supertest Petroleum, B pfd.	26.75	29.00
Toronto Carpet, pfd.	37.00	....
Toronto Housing	....	10.50
United Steel, A pfd.	6.00	6.25
West. Grain, pfd. bonus	....	17.00
Willards Chocolates, pfd.	17.00	....
TRUST & LOAN STOCKS:		
Chartered Trust	81.00	84.00
Guelph Ont. Inv., par $50	48.00	52.00
London & West. Trust	56.00	60.00
Sterling Trust	36.00	....
Traders Fin., B pfd. bonus	82.00	85.00
Trusts & Guarantee	....	38.00
Waterloo Trusts	97.00	....
INSURANCE STOCKS:		
British America	41.00	45.00
Canada Life	520.00	535.00
Canadian Fire	74.00	78.00
Can. Ins. Shares	12.50	15.00
Confed. Life 20% pd.	116.00	120.00
Cont. Life 20% pd.	37.00	41.00
Crown Life	125.00	....
Dominion Fire	116.00	130.00
Dominion Life 50% pd.	285.00	300.00
Dom. of Can. Gen.	120.00	130.00
Empire Life 25% pd.	7.25	9.00
Excelsior Life 30% pd.	70.50	72.00
Federal Fire 25% pd.	39.00	....
Fidelity Ins. of Can.	....	39.00
Great-West Life	390.00	400.00
Guar. of N. A. fully pd.	250.00	....
Halifax Fire	22.00	23.50
Imperial Life	340.00	....
Manufacturers Life	260.00	266.00
Monarch Life 10% pd.	19.50	21.50
National Life 25% pd.	....	32.00
Sovereign Life 25% pd.	17.00	18.75
Sun Life	440.00	455.00
Toronto General Ins.	4.00	5.00
Western Assur., com.	42.50	45.00
Do., pfd.	41.25	45.00
THEATRE STOCKS:		
Allens Beach, pfd.	61.00	65.00
Do., Calgary, com.	5.00	6.75
Do., Kingston, pfd.	60.00	....
Do., Parkdale, pfd.	59.00	....
Do., Toronto, pfd. bonus c.	29.00	33.00
Eastern Theatres, com.	4.25	5.25
Do., pfd.	76.00	81.00
Loew's London, pfd.	2.00	3.00
Do., Toronto, pfd.	111.00	....
Mansfield Theatre, pfd.	29.00	....
Paramount Kitchener, pfd.	46.00	....
Do., Oshawa, pfd.	85.00	92.00
United Amusement, A	....	20.00
Do., B	15.00	17.00
INVESTMENT TRUST SHARES:		
Can. Gen. Invest.	8.00	8.31
Can. Investors Corp.	7.50	8.00
Can. Int. Inv. Trust Units	58.00	....
Cons. Div. St. Sec. Units	13.00	14.50
Debenture & Sec., pfd.	62.00	....
Dom. Scottish Inv. Units	34.00	37.00
For. Power Sec., pfd.	7.00	10.00
Invest. Found. Units	50.00	52.00
Sec. Holding Units	24.00	26.00
United Corpns., A	21.75	23.00
Do., B	7.00	8.00
POWER ISSUES:		
Can. Light & P., com.	20.00	23.50
Can. West. Nat. Gas, pfd.	92.50	95.00
Do., com.	23.00	25.00
Great Lakes Pwr., pfd.	90.00	93.00
Inter. Util., pfd.	86.50	....
Nor. Ont. Power, pfd.	100.50	103.25
Nova Scotia L. & P., pfd.	101.50	103.00
Do., com.	83.00	85.00

Winnipeg Stocks

(Transactions from June 28 to July 4)

	Sales	High for period	Low for period	Close July 4
Cons. Goldfields	7,550	.30	.27½	.29
Clover Gold	14,900	.15	.12½	.15
Flin Flon	12,000	.28	.24	.25
Gold Lake	3,450	.49	.42	.42
Geneva	50	1.55	1.55	1.55
Gurney Gold	3,000	.50	.46	.49
Gold Island	2,300	.20	.20	.20
Gt. West Life	1	395.00	395.00	395.00
Gt. Nor. Rly., pf.	200	36.50	36.50	36.50
Kingfisher	1,700	.03	.03	.03
Island Lake	6,250	.05	.04	.04½
Jowsey Island	3,500	.09	.08½	.09
Optic Lake	185	2.00	1.75	1.75
Ore Grande	3,500	.18	.16	.16
Knee Lake	1,000	.03	.03	.03
Scattergood	1,500	.04	.03½	.03½
Traders Bldg.	5	75.00	75.00	75.00
Packsack	200	.25	.25	.25
Rice Lake	1,000	.09	.09	.09
Rice Lake Units	5	6.00	.600	6.00
Scotia	4,700	.07½	.07½	.07½
United Grain	9	13.50	13.50	13.50
Wingold	14,100	.09	.08	.08½
Wylie Dom.	1,100	.45	.43	.43
Wallace Lake	8,500	.04½	.03½	.03½
West. Steel, pf.	10	5.00	5.00	5.00

Stocks Not Traded in During Week*

	Bid	Ask.
Beaver Fire Ins.	..	100
Can. Indemnity	135	..
Comm. Securities	..	10
Cres. Cream, pfd.	..	35
Dom. Envelope, com.	1	1½
Home Invest.	24	35
Northern Trust	8	9½
West. Breweries	..	1.75

*Stocks more active on other exchanges not included.

Mining Dividends

	Rate	Close July 6	Yield %
Anglo-Huronian	20c	5.50	..
Beattie Gold	†5c	1.40	..
Bralorne	20c+5c	7.90	2.8
Buff. Ankerite	20c	8.00	..
Bulolo Gold	‡$1.40	31.00	5.9
Cariboo	10c	1.70	..
Central Patricia	†4c	3.95	..
Coniagas†	12½c	3.50	..
Cons. Smelters	50c	54.00	7.3*
Dome Mines	$2+$2	55.37	3.6
Falconbridge	30c	8.35	5.1*
Hollinger	65c+15c	15.75	..
Howey Gold	5c	.80	..
Hudson Bay	$1	23.50	..
Island Mountain	‡5c	1.64	..
Int. Coal & Coke‡	1c.	.20	..
Inter. Mining	60c	11.00	5.4
Int. Nickel, c.	$1.20	49.87	2.4
Kerr Lake	5c	.55	..
Kirk. Lake‡	3c	.55	6.8
Lake Shore	$4	58.50	..
Little L. Lac	10c	6.40	..
Macassa	15c	4.40	..
McIntyre	$2	42.50	4.7
McKenzie R. Lake	†3c	2.05	..
McKinley Sec.	3½c	.63	..
McWatters Gold†	5c	1.58	..
Nipissing	25c	2.40	..
Nor. Can. Mining	2c	.50	..
Noranda	‡$1.25	58.25	2.1
Pickle Crow	10c	6.20	3.2*
Premier	13c+1c	2.43	9.4
Pioneer, B.C.	80c	8.50	9.7
Reno	12c	1.23	..
Stand. Silver	1c	.43	..
San Antonio	21c	2.35	8.9
Sheep Creek	†2c	.73	..
Siscoe	20c	3.85	5.2
So. Amer. Gold	30c	4.65	6.4
Sylvanite	20c	2.95	6.8
Teck-Hughes	40c+5c	5.70	7.9*
Toburn	5c	1.40	3.7
Ventures	†2½c	1.95	..
Wright-Har.	40c+20c	8.35	7.2
Ymir Yankee	†3c	.48	..

‡Interim. †Initial. *Yield includes bonus.

Mining Stock Quotations

WEEK ENDING JULY 6, 1936

Par Val.	Range 1936 High	Low	Company	Sales	Close June 29 (or last)	High for week	Low for week	Close July 6
	.12	.04	Afton (Ex. dis.)	112,200	.05½	.05½	.04½	.04¾
No	.24	.07	Aldermac	144,700	.22½	.22½	.21½	.22½
1	.04½	.01½	Alexandria	70,800	.03½	.03½	.03	.03
No	.12½	.03½	Algoma	22,200	.09	.09	.08	.08
No	5.55	4.10	Anglo-Huronian	968	5.50	5.50	5.00	5.50
1	1.60	1.15	Argosy	2,900	1.42	1.56	1.42	1.55
No	.12	.02	Arno	8,900	.06½	.07½	.06	.06
1	.97	.65	Arntfield	4,175	.83	.85	.82½	.85
1	.25	.06½	Ashley	147,600	.17	.21½	.13	.21
1	.06½	.02½	Astoria Rouyn	23,600	.05	.05½	.05	.05
1	.11½	.05½	Bagamac	43,950	.08½	.08½	.08	.08
1	.10	.03½	Barry Hollinger	37,700	.05	.06½	.05	.05½
1	.40	.14	Base Metals	21,100	.16	.16½	.14	.15
1	.65	.28	B.E.A.R.	15,620	.57	.60	.55	.56
No	1.84	1.20	Beattie Gold	15,150	1.30	1.44	1.31	1.40
1	.47	.30	Beaufor Gold	12,117	.37	.37	.35	.36
1	.76	.50	Big Missouri	34,161	.56	.70	.56	.60
1	.24	.13	Bobjo	22,200	.18	.19	.17	.19
No	8.60	5.55	Bralorne	1,320	8.00	8.00	6.50	7.90
1	.40	.15	Brazil Gold	......	(.15 bid .20 asked)			
1	.13	.02	Brett Trethewey	12,400	.08	.08½	.07½	.08
50c.	.25½	.09	B.R.X. Gold	6,250	.15	.16	.13	.13
1	.05	.01	Brownlee	30,700	.02½	.02½	.02	.02
1	8.00	3.80	Buffalo Ankerite	6,102	7.90	8.00	7.75	8.00
No	.13	.02	Buffalo Can.	91,550	.09	.09	.07½	.07½
5	37.00	30.00	Bulolo Gold	210	30.00	31.00	30.50	31.00
	.13	.10	Do., warrants	369	.11	.11	.10	.10
No	.18	.06	Bunker Hill	2,600	.12	.12½	.11	.11½
No	1.45	.95½	Can. Malartic	18,895	1.12	1.12	1.10	1.12
1	.20	.19	Capital Rouyn	......	(.19 June 11)			
1	1.80	1.15	Cariboo Gold	725	1.60	1.70	1.65	1.70
1	.15	.02	Cartier Malartic	86,600	.08	.12	.06½	.11½
1	1.69	1.24	Castle Trethewey	8,700	1.41	1.45	1.40	1.41
1	.53	.11½	Cen. Manitoba	259,650	.40	.53	.39	.50
1	4.25	2.41	Cen. Patricia	12,140	3.90	4.00	3.85	3.95
No	.09¾	.03½	Church M. & Mill.	8,200	.06½	.07	.06	.06
No	.14	.03	Clericy	72,550	.07½	.08½	.07½	.07½
5	4.50	2.25	Coast Copper	35	2.25	2.25	2.25	2.25
1	.03¾	.01½	Cobalt Contact	21,500	.02½	.02½	.02	.02½
5	4.25	2.80	Coniagas	500	3.40	3.50	3.40	3.50
No	2.75	1.80	Coniaurum	5,863	2.01	2.10	2.00	2.10
1	2.30	1.10	Con. Chibougamau	8,930	1.65	1.70	1.60	1.68
25	57.75	51.00	Cons. Smelters	3,148	54.75	54.50	53.25	54.00
No	61.25	41.75	Dome Mines	1,835	57.75	56.00	55.25	55.37
1	.07	.04½	Dom. Explorers	2,000	.04½	.05	.05	.05
1	.10½	.04	Duparquet	18,600	.05½	.05	.04½	.04½
1	.60	.52	East Malartic	11,000	.59	.58	.52	.54
1	1.38	.88	Eldorado	12,245	1.03	1.05	.98	.98
No	9.50	6.90	Falconbridge	2,291	8.50	8.55	8.15	8.35
1	.10	.03	Federal	51,200	.06½	.08	.06½	.08
No	.44	.12	Francoeur Gold	33,600	.12	.16	.12	.14
1	.11	.04½	Franklin Gold	24,900	.04½	.04½	.04½	.04½
No	1.45	.75	God's Lake	62,985	1.13	1.24	1.05	1.20
1	.49	.14½	Goldale	38,900	.35	.38	.35	.36
50c.	.56	.30	Gold Belt	9,700	.32½	.35	.32	.34½
1	.26½	.06	Goodfish	24,950	.17	.18½	.16½	.16½
1	.20	.03	Graham Bosquet	27,550	.18	.19	.16	.16
1	.40	.17	Granada Gold	10,345	.28	.28	.25	.25
No	.13½	.05½	Grandora	3,000	.10	.10	.09½	.09½
1	.73	.21	Greene Stabell	144,462	.48	.60	.49	.54
1	.09	.04	Grozelle	2,600	.06½	.06	.05	.05
1	.12	.08	Grull Wihksne		(.08 bid .12 asked)			
1	1.20	.75	Gunnar Gold	27,250	1.13	1.15	1.08	1.14
1	.10½	.02	Halcrow Swayze	18,100	.08	.08½	.07½	.08½
1	3.20	.30	Hard Rock	65,675	2.40	2.55	2.35	2.50
1	.18½	.07	Harker	42,500	.14	.14	.12	.12½
5	17.25	13.50	Hollinger	2,875	15.75	15.87	15.37	15.75
1	.93	.55	Howey Gold	29,035	.77	.83	.76	.80
No	28.25	22.87	Hudson Bay	1,221	23.50	24.00	23.50	23.50
1	14.25	11.00	Inter Mining		(11.00 Apr. 28)			
1	4.50	4.10	Do., Pur. Warr.		(2.75 bid ... asked)			
No	54.00	43.50	Int. Nickel	14,901	50.00	50.50	49.12	49.87
1	.70	.28½	J. M. Cons. Gold	32,290	.61	.60	.58	.59
1	.65	.40	Kerr Lake	187	.60	.55	.55	.55
1	1.27	.30	Kirk. Hud. Bay	10,266	1.07	1.08	1.00	1.00
1	.94	.40	Kirkland Lake	33,963	.55	.64	.55½	.59
...	.12	.03½	Kirk. Premier		(.10 June 27)			
1	.31	.14½	Kirk. Townsite	12,900	.22	.23½	.19½	.20
No	.21	.03	Lake Maron	269,175	.17	.18	.16	.17
1	60.00	51.75	Lake Shore	2,765	58.50	59.00	58.00	58.50
1	.37	.05	Lamaque Contact	467,948	.35	.37	.34½	.35
1	1.38	1.03	Lava Cap G.	10,800	1.19	1.20	1.14	1.15
1	.29½	.12	Lebel Oro	58,214	.25	.25	.22	.24
1	.06½	.02½	Lee Gold	23,400	.04	.04½	.04	.04½
No	7.75	6.05	Little Long Lac	3,860	6.35	6.50	6.30	6.40
1	4.90	3.12	Macassa	12,200	4.35	4.60	4.35	4.40
1	.07	.01½	Malrobic	315,100	.03½	.05½	.03½	.05
No	.33	.12	Mandy	7,100	.27	.29	.26	.27
No	.25	.05½	Man. & Eastern	58,700	.22	.21½	.19½	.20
1	.26	.05½	Maple Leaf	14,200	.21	.22	.20	.22
5	49.25	40.00	McIntyre	1,855	43.50	44.25	42.50	42.50
1	2.12	1.22	McKenzie R.L.	72,575	1.85	2.09	1.80	2.05
1	.65	.45	McKinley	550	.65	.63	.63	.63
No	5.00	3.50	McLeod Cockshutt	50,301	3.55	4.25	3.50	3.95
1	.14	.02	McMillan	110,650	.07	.07½	.05	.07
No	1.78	1.19	McWatters	26,100	1.62	1.63	1.53	1.58
1	.42	.21	McVittie	15,410	.23½	.25	.23	.24½
5	1.50	.50	Mentor Exp. & Dev.	300	1.50	1.50	1.50	1.50
No	1.50	1.10	Mining Corp.	3,700	1.31	1.35	1.30	1.30
No	1.00	.07½	Minto Mines	19,400	.65	.70	.50	.61
1	.16	.06	Moffatt Hall	35,000	.10	.11	.10	.10½
1	.80	.51	Morris Kirk.	77,612	.57	.65	.51	.64
1	.33	.06½	Moneta	43,900	.23	.25	.20	.23
1	.07½	.00¾	Murphy	73,300	.05½	.05½	.04½	.05
No	.04½	.02	Newbec	23,100	.02½	.04	.03	.03½
1	.06½	.01½	Night-Hawk Penn.	31,800	.03½	.03½	.03½	.03½
5	3.05	2.35	Nipissing	400	2.45	2.45	2.40	2.40
No	59.50	44.50	Noranda	3,642	59.00	58.75	58.25	58.25
No	.63	.28½	Nor. Canada	5,200	.50	.55	.48	.50
1	3.05	.34	O'Brien	347,375	2.28	3.05	2.26	3.05
1	.80	.40	Omega	20,094	.66	.69	.65	.66
1	.18	.07	Osisko	3,000	.16	.16	.14	.14
No	5.20	3.50	Pamour	11,534	4.50	4.50	4.40	4.40
1	.31½	.18	Parkhill	219,550	.24½	.27½	.22½	.23½
1	.11	.02½	Pawnee Kirk.	44,700	.07½	.09	.07	.08½
1	1.20	.50½	Paymaster	98,919	.97	1.04	.91½	.99
1	1.20	.70	Pend Oreille	1,220	.70	.80	.70	.75
1	1.75	1.12	Perron Gold	13,150	1.27	1.33	1.29	1.29
1	.04½	.02	Peterson Cobalt	8,500	.02½	.02½	.02½	.02½
1	6.90	3.95	Pickle Crow	11,525	6.00	6.30	6.00	6.20
1	12.00	8.15	Pioneer Gold B.C.	6,130	8.75	9.00	8.35	8.50
1	.15	.04	Porcupine Crown	58,450	.09	.10	.08½	.08½
1	2.50	1.80	Premier Gold	6,625	2.47	2.49	2.41	2.43
1	2.20	.21	Preston E. Dome	156,840	1.94	2.20	1.90	2.20
No	3.25	2.10	Prospectors Air's	1,200	2.25	2.25	2.20	2.20
1	1.40	.71	Quebec Gold	7,850	.80	.75	.71	.72
1	.65	.40	Do., Rights	4,633	.50	.60	.50	.50
No	.07½	.02	Quemont	1,000	.07	.06	.06	.06
1	2.78	1.43	Read Authier	19,641	2.59	2.67	2.47	2.65
1	1.65	.50	Red Lake	31,090	1.64	1.65	1.60	1.63
1	1.35	1.00	Reno Gold	7,350	1.18	1.23	1.17	1.23
1	.13½	.01	Ritchie	56,900	.09	.11	.09	.10
1	.09	.04	Robb Montbray	33,200	.05½	.06½	.05	.05½
1	.28	.05½	Roche Long Lac	37,100	.24	.24½	.23	.24½
1	3.45	2.16	San Antonio	12,881	2.39	2.40	2.33	2.35
1	1.15	.75	Shawkey	21,800	.84	.85	.80	.80
50c.	.86	.56	Sheep Creek	25,100	.84	.73	.72	.73
1	1.40	1.00	Sherritt Gordon	21,342	1.07	1.08	1.02	1.06
1	4.00	2.88	Siscoe	50,972	3.60	4.00	3.56	3.85
1	.57	.42½	Sladen Malartic	26,225	.53	.55	.51	.51
1	6.25	4.40	South Amer. Gold	......	(4.65 June 4)			
No	.08½	.03½	South Tiblemont.	92,900	.05½	.07½	.05½	.07
No	.49½	.18½	Stadacona	64,600	.42	.46	.42½	.45
1	.38½	.18	St. Anthony	116,350	.26	.31½	.26	.31
No	4.95	3.00	Sudbury Basin	2,302	3.95	4.10	3.90	3.90
1	.20	.06	Sudbury Contact.	67,050	.15	.19	.15	.18
1	.07½	.03½	Sudbury Mines	49,200	.04½	.04½	.04	.04½
1	1.43	.83	Sullivan Cons.	46,291	1.33	1.43	1.30	1.40
1	2.95	2.25	Sylvanite	36,755	2.70	2.95	2.72	2.95
1	.68	.28	Tashota	13,275	.40	.45	.40	.43½
1	5.85	4.30	Teck Hughes	8,850	5.60	5.70	5.55	5.70
1	.73½	.37½	Thompson Cadillac	50,610	.56	.60	.53	.60
1	.23	.02	Timiskaming	82,100	.18	.18½	.17½	.18
1	1.63	1.20	Toburn Gold	1,435	1.39	1.41	1.36	1.40
1	.45	.20	Towagmac	12,350	.35	.40	.37	.39
1	.40	.20	Treadwell		(... bid .40 asked)			
No	2.52	1.60	Ventures	26,505	1.93	1.96	1.90	1.95
No	1.35	1.00	Waite Amulet	1,529	1.04	1.10	1.03	1.05
50c	.21	.09½	Wayside	53,700	.10½	.11	.10	.10½
No	.05½	.03	White Eagle	31,500	.04½	.04½	.03½	.03½
1	.10	.03	Wiltsey Coghlan	8,850	.08	.07½	.07	.07½
1	.09	.04	Wood Kirkland	4,700	.07	.07½	.06½	.07½
No	9.00	7.55	Wright-Hargreaves	24,311	8.00	8.45	8.05	8.35
No	.71	.38	Ymir Girl	21,200	.47	.50	.47	.49

OIL STOCKS

Par Val.	Range 1936 High	Low	Company	Sales	Close June 29 (or last)	High for week	Low for week	Close July 6
No	.18½	.09½	Acme Gas & Oil	7,600	.11	.12	.11	.11
1	.70	.40	Ajax	6,145	.45	.65	.45	.56
No	1.60	.70	Calgary & Ed.	5,300	1.34	1.44	1.35	1.44
1	.18	.05	Calmont	11,500	.14	.16½	.14	.15
No	.10½	.04	Common Pete		(.05½ bid .07½ asked)			
No	.78	.38	Dalhousie	11,395	.46	.62	.50	.57
No	.13½	.06	East Crest	1,200	.08½	.09	.07½	.09
No	.78	.30	Foothills	170	.50	.50	.30	.30
No	.31	.13	High Sarcee	8,900	.23½	.30	.25	.26
No	1.46	.70	Home	3,691	1.03	1.07	1.00	1.05
1	.81	.11	Homestead O.&G.	35,500	.43	.43	.38	.38½
No	.14½	.07	Lowery		(.09 bid .15 asked)			
No	.24	.12	Merland	1,700	.18	.16	.15	.15
5	.26	.14	Nordon	8,100	.15	.17	.15	.15
No	.07	.03	Oil Selections	5,000	.05	.04½	.04½	.04½
No	.15	.08	Olga Gas & Oil	38,500	.09	.10	.08½	.10
1	.75	.52	Petrol Oil & Gas		(.65 bid .85 asked)			
No	39.75	26.25	Royalite	445	28.12	29.50	28.25	29.50
No	.20	.04	South West Pete	2,100	.10	.20	.15	.20
No	4.85	1.63	Texas Can.	5,100	2.07	2.10	2.05	2.05

VANCOUVER STOCK EXCHANGE

(Transaction for Week to July 6)

Par Val.	Range 1936 High	Low	Company	Sales	Close June 27 (or last)	High for week	Low for week	Close July 6
25c	.01	.00½	Bayview	81,000	.00½	.01	.01	.01
20c	.05	.02	Beaver Silver	3,500	.02½	.02	.02	.02
25c	.01½	.01	Bluebird		(.00½ bid ... asked)			
No	8.55	5.60	Bralorne	5,660	7.90	8.00	7.60	7.80
1	.10	.02	Bridge River Cons	4,700	.06½	.06½	.06½	.06½
50c	.25½	.08½	B.R.X. Gold	10,300	.15	.15	.13½	.13½
50c	.18	.12½	B.R. Mountain Gold		(... bid .17 asked)			
1	.54	.17½	B.C. Nickel	17,700	.34	.35	.32	.33½
1	2.75	1.50	B.C. Silver	100	2.25	2.25	2.25	2.25
50c	.12½	.04	Canadian Rand	67,800	.10½	.12½	.11	.12½
1	1.80	1.15	Cariboo Gold	1,700	1.63	1.72	1.63	1.70
1	.30	.12½	Congress Gold	17,000	.15½	.19	.16	.17
25c	.00½	.00½	Cork Province	4,000	.00½	.00½	.00½	.00½
1	.04	.02	Cotton Belt		(.02 June 24)			
1	.03½	.01	Dalhousie Mines		(.01½ bid .02 asked)			
No	.36	.17	Dentonia	7,300	.17	.18	.17	.18
No	.08½	.02	Dictator	6,400	.04	.04	.03½	.03½
1	.07	.03	Dunwell		(.03½ bid ... asked)			
No	.09½	.03	Fairview Amal.	6,500	.04½	.05	.04	.04
50c	.62	.35	Fawn Mining	5,500	.60	.62	.60	.62
1	.18½	.03½	Federal Gold	34,800	.06½	.07	.06½	.06½
1	.25	.20	George Copper		(... bid .20 asked)			
50c	.05½	.02½	George Enterprise		(... bid .04 asked)			
1	.02½	.01½	Georgia River	6,000	.01½	.01½	.01½	.01½
50c	.02½	.01	Glacier Creek		(.01 bid .01½ asked)			
1	.24	.10	Golconda	5,800	.10	.11	.10	.11
50c	.54	.29	Gold Belt	7,300	.32	.34	.30	.33
50c	.18	.05	Gold Mountain	43,000	.10½	.12½	.09½	.12½
50c	.04½	.02	Grandview	5,200	.02½	.02½	.02½	.02½
No	.07½	.02	Grange Mines	7,500	.02½	.03	.02½	.02½
1	.11½	.07	Grull Wihksne	1,000	.09	.10½	.09	.09
No	.05½	.02½	Haida Gold		(.02½ bid .04 asked)			
50c	.32	.15	Hedley Amal.	6,500	.15	.18	.15	.18
No	.05	.03	Hedley Sterling		(... bid .03 asked)			
No	.08	.02	Home Gold	7,500	.04	.04½	.04	.04
1	.02	.00½	Independence		(.00½ bid ... asked)			
1	.03	.02	Indian Mines	2,000	.02	.02½	.02½	.02½
50c	1.82	.95	Island Mountain	2,308	1.60	1.65	1.60	1.64
1	.21	.18	Inter'tl Coal		(.20½ bid .21 asked)			
...	.10½	.09½	Inter'tl Gold	50,500	......	.10½	.09½	.10
50c	.72	.30	Kootenay Belle	6,650	.67	.65	.63	.65
20c	.00¾	.00½	Koot. Florence	4,000	.00¾	.00½	.00¾	.00½
25c	.00½	.00½	Kootenay King		(00½ bid ... asked)			
25c	.00½	.00½	Lakeview		(.00½ bid .00¾ asked)			
10c	.02½	.01½	Lucky Jim		(.01 bid .02 asked)			
No	.14½	.03½	Mak Siccar	27,600	.04½	.04½	.03½	.03½
50c	.00½	.00½	Marmot Metals		(.00½ June 24)			
1	.20	.12	McGillivray Creek		(.15 bid .18 asked)			
50c	.14½	.06½	Meridian Min.	6,300	.07½	.08	.08	.08
No	.94	.07	Minto Mines	254,650	.59	.66	.49	.62
50c	.05	.02	Morning Star	5,800	.02½	.02½	.02½	.02½
1	.01	.00½	Morton Woolsey		(.00½ bid .00¾ asked)			
25c	.03½	.02	National Silver	5,080	.02½	.02½	.02½	.02½
50c	.17½	.07½	Nicola	97,100	.14	.15	.14	.14½
50c	.05½	.02½	Noble Five	6,000	.02½	.02½	.02½	.02½
No	.08	.02	Pilot Gold	17,000	.06	.06½	.05½	.06
1	11.85	8.30	Pioneer Gold	1,235	8.60	8.70	8.50	8.60
50c	.07	.04	Porter Idaho		(.04½ bid .04½ asked)			
No	.01¾	.00½	Premier Border	10,000	.01½	.01½	.01	.01½
1	.02	.01	Quatsino Copper		(.01 bid ... asked)			
25c	.13½	.05	Quesnelle Quartz	500	.08	.06	.06	.06
50c	.05	.04	Red Hawk		(.04 June 19)			
.01	.09½	.05½	Reliance	106,800	.06½	.07½	.06	.06½
1	.48	.26	Relief Arlington	1,000	.32	.31½	.31	.31
No	.12	.05	Reeves McDonald		(.06 bid ... asked)			
1	1.38	1.00	Reno Gold	8,000	1.22	1.24	1.18	1.21
1	.15	.02	Reward Mining	5,900	.07	.07	.06½	.06½
1	.01	.00½	Rufus Argenta		(.00½ bid ... asked)			
1	.03	.01	Ruth Hope		(.01½ bid ... asked)			
1	.15	.08	Sally Mines		(... bid .11 asked)			
50c	.13½	.08	Salmon Gold	12,700	.10	.11	.09	.10½
50c	.78	.55	Sheep Creek	7,900	.72	.73	.70½	.70½
25c	.01	.00½	Silvercrest	45,000	.00½	.00½	.00½	.00½
20c	.02½	.01	Silvercrest		(... bid .01½ asked)			
50c	.00½	.00½	Snowflake		(.00½ bid ... asked)			
1	.54	.43	Standard Silver	600	.45	.44	.43	.43
10	24.25	16.50	Sunshine		(16.50 June 16)			
No	.24	.07½	Taylor Bridge	5,500	.11	.10½	.10	.10
1	.27	.07	Taylor Windfall	1,500	.16	.15	.15	.15
50c.	.05½	.01½	United Empire	38,850	.03½	.05½	.03½	.05½
No	1.88	.65	Vidette Gold	7,700	1.46	1.47	1.25	1.28
No	.08½	.00½	Viking Gold	21,000	.02	.02½	.02½	.02½
No	.06½	.01	Waterloo Gold	3,500	.04½	.04	.04	.04
50c.	.01½	.00½	Waverley Tangier	3,000	.00½	.00½	.00½	.00½
50c.	.20½	.09½	Wayside	19,500	.10½	.10½	.10	.10½
20c.	.01½	.01	Wellington	......	(.00½ bid .... asked)			
1	.06½	.03	Whitewater	......	(.... bid .04 asked)			
No	.69	.42	Ymir Yankee Girl	3,300	.49	.50½	.48	.48

OIL STOCKS

Par Val.	Range 1936 High	Low	Company	Sales	Close June 27 (or last)	High for week	Low for week	Close July 6
1	.21	.09	Alta. Pac. Cons.	6,800	.14½	.15½	.12	.12
1	.15	.05	Amalgamated	6,900	.12	.12½	.11½	.11½
1	.09	.02½	Anaconda	19,200	.06½	.06½	.05½	.06
No	.05	.02	Baltac		(.03 bid .... asked)			
1	.43	.09½	Brit. Dominion	23,055	.28	.29½	.24	.29½
1	.14½	.05	Crow's Nest	11,900	.11½	.13½	.10½	.12½
No	.05½	.03	Devenish	1,700	.03½	.04½	.04	.04
No	.12½	.04½	Freehold	46,300	.07	.09	.07½	.08
No	.09½	.04	Hargal	13,550	.08	.09	.08	.09
No	.33	.13	High Sarcee	39,100	.26	.30	.25	.30
No	.03	.01	Madison	3,000	.01½	.01½	.01½	.01½
No	.26	.11½	Marjon Oil	43,640	.23½	.23	.21	.22
No	.14½	.05½	McD. Segur Ex.	18,230	.09½	.10½	.08½	.10
1	.40	.20	McLeod	1,000	.34	.38	.38	.38
No	.18½	.11½	Mercury	9,805	.12½	.12½	.12	.12½
No	.15	.08	Mill City Pete	650	.13	.11½	.11½	.11½
1	.29	.20	Model	5,185	.24	.25	.24	.25
No	.25	.04	Okalta	22,150	.18	.20	.17	.18½
No	.09½	.04½	Pacalta Oil	6,100	.06½	.07	.06	.06½
1	.83	.43	Ranchmen's	3,500	.55	.49	.43	.45
1	.27	.18	Spooner	500	.25	.24	.24	.24
No	.09½	.05	United	2,850	.06	.07½	.06½	.06½
No	.10½	.05	Vanalta	300	.05½	.05	.05	.05
1	.65	.10	Vulcan	8,400	.40	.50	.40	.40
1	.08½	.07	Wellington Oil	......	(.... bid .08½ asked)			

Fire Losses For Ontario Show Decline

Experience More Favorable in Second Quarter

TOTAL $1,396,784

Fire losses in Ontario in the second quarter of 1936 dropped substantially from last year's level, according to a report issued by Fire Marshal W. J. Scott.

Actual number of fires at 3,459 shows a decrease of 448 and property loss totalled $1,396,784, as against $2,046,520 in 1935. The proportion of losses covered by insurance, however, was somewhat greater, although the figure of $1,225,919 was almost $500,000 under the total for the same period a year ago.

Despite the improved showing in the second quarter, the experience of the first 3 months of this year was such that the half-year figures still compare unfavorably with 1935. The number of fires at 7,583 is down 467, but there has been an increase in property damage of $139,310 and in insurance loss of $289,530.

The increase in the first half of the year is attributable to more fires in stores and factories. Losses suffered in dwelling and barn fires were lower than a year ago. Comparative figures are as follows:

Fire Losses
(January to June, inclusive)

	1936	1935
	$	$
Barns	178,052	233,223
Dwellings	1,234,395	1,440,805
Stores	937,366	851,623
Factories	732,529	360,470

Gasoline Hazard

Over the last 6 months gasoline and similar products were by far the greatest single hazard to life and person in fires throughout the province, accounting for 12 deaths and 22 injured. The toll taken by fire during the period mounted to 56 killed, 68 injured.

Arson prosecutions in Ontario in the first half-year showed considerable increase, largely due to investigation work. Fourteen cases came up for trial and 7 more are pending.

In an effort to reduce losses from thresher fires, the fire marshal has announced that as many fires of this type as possible will be investigated this season. Suggestions for prevention of such fires have been sent to the 6,000 licensed threshermen in the province. It is suggested that the insurance companies can materially aid the department by immediately forwarding a full report on each fire.

Royal Insurance Maintains Volume

Records Increase in Total Assets and Surplus

Income of the Royal Insurance Co. was well maintained in 1935. Premiums on business as a whole amounted to $68,211,045 and investment returns $11,612,814, a total of $79,823,859, compared with $79,840,485 in the previous year. Assets advanced $7.3 millions to $280,549,614 and net surplus and special reserves are shown in the company's statement at $56.1 millions, an increase of almost $2.6 millions over the 1935 total.

In the fire department, premium income totalled $27.8 millions and losses $11.1 millions. After payment of expenses and provision of reserves for unexpired risks, a balance of $3.6 millions was transferred to profit and loss account. The fire fund now stands at $28,615,805.

Casualty Lines Up

Premiums on casualty and automobile business of $25.8 millions were up more than $100,000 from the previous year's level. Losses amounted to $13.5 millions. Profit and loss account was increased by $1.5 million after expenses and reserve. Funds now total $26.6 millions. New marine premiums for the year were $4 millions with claims and expenses about half that total.

In the life insurance department net premiums were $9.6 millions and interest, less income tax, $4.6 millions. Claims, including bonus additions, were $7.7 millions. In the annuity branch, consideration for annuities granted amounted to $903,235 and interest, less tax, to $579,610.

Hail Company Directors May Arbitrate Claims

Directors of the Saskatchewan Municipal Hail Insurance Co. have the power to arbitrate contested claims, a recent judgment of the appeal court determined. Significance of the decision is that it clears the way for payment of $6,000 in claims which had been held up following a lower court decision that directors were not entitled to adjudicate on claims.

While the judgment of the appeal court upheld the right of directors to arbitrate contested claims, it does not specifically determine their power to adjudicate and apportion indemnities. It is believed the matter has been cleared up sufficiently, however, to settle 99% of contested claims.

W. L. White Acting Head London Lancashire G. & A.

W. L. White, Winnipeg manager of the London & Lancashire Guarantee and Accident Co., is in charge of Canadian operations of that company pending the permanent appointment of a successor to the late L. C. Evans.

F. W. Spencer, for many years an inspector of the company, has been appointed superintendent of agencies, a new office. Lawrence S. Evans, a son of the late manager, has been made an inspector.

B. C. Radio Sales

Producers' sales of radio receiving sets in British Columbia last year numbered 17,572, an increase of 707 over 1934 and 9.2 per cent of all such sales through the Dominion.

Fire Insurers Hoist Surplus $6 Millions

Gains By Canadian Companies Feature Advance in 1935

Fire insurance companies licensed with the federal department of insurance increased surplus by $6 millions as a result of 1935 operations. In large measure this development is attributable to the exceptionally favorable loss experience encountered last year, with consequent wider margin between costs and expenses for most companies.

Some 234 companies for which surplus figures are available for the last two years are included in the list below. Of this total only 82 registered a decrease in surplus compared with the 1934 year end. In most instances, the higher surplus figure was achieved through increased assets rather than a lower liability total.

Canadian Companies Improve

Canadian companies featured the year's showing, with only 6 of the 50 companies listed dropping below the 1934 figure. And in all but one of these the reduction in the margin between assets and liabilities was very small. Substantial gains were recorded by the British America, Grain, Pacific Coast, Reliance, Wawanesa and Western companies. The total advance in surplus of Canadian companies was $5,353,000. Practically all of this arose through expanded assets; liabilities were only $25,000 under the previous year's level.

Experience of the British companies was not so favorable. Of the 67 companies listed, almost half—32—reported lower surplus than a year ago, and the total of $44.5 millions was about $350,000 under the 1934 figure. Both assets and liabilities were lower, the former by $835,000. These figures, of course, represent only the excess of assets over liabilities in Canada. Notable advances were made during the year by Employers Liability, Union of Canton and Yorkshire.

Foreign Firms Advance

Forty-four of the 117 foreign companies were below the 1934 level. Total surplus of the companies increased by $959,000, an increase of $1.5 million in assets being partially offset by a rise in liabilities. Among those which gained most were the Hartford Fire, Home Insurance, Lumbermen's Underwriting Alliance and Providence of Washington.

Surplus of the companies which carried on business in both 1934 and 1935 are shown in the following table:

Canadian Companies

	Excess of Assets Over Liabilities (Excluding Capital Stock) 1935	1934
	$	$
Acadia	943,139	913,022
Antigonish	21,717	19,478
Beaver	423,599	421,872
British America	2,497,922	2,103,643
British Canadian	380,022	325,665
British Colonial	78,034	87,253
British Empire	269,433	232,130
British Northwestern	681,903	642,110
Canada Accident	919,432	910,555
Canada Security	691,324	636,478
Canadian Fire	1,840,076	1,755,243
Canadian General	817,905	805,780
Canadian Indemnity	773,908	729,411
Canadian Surety	850,339	792,162
Casualty	177,423	169,287
Commerce Mutual	1,394,278	1,245,589
Consolidated	260,551	220,965
Cumberland	9,004	9,644
Dominion Fire	773,286	723,462
Dom. of Can. General	1,632,609	1,525,928
Ensign	481,103	463,543
Fire of Canada	836,028	757,510
Gen. Accident of Can.	1,345,672	1,509,664
Globe Indemnity	616,432	597,631
Grain	1,922,072	1,582,994
Guardian Insurance	929,598	874,433
Halifax	3,428,166	3,444,488
Hudson Bay	677,389	635,957
Imperial Guarantee	346,343	305,207
Imperial Insurance	649,867	637,100
Kings Mutual	117,364	98,240
Liverpool-Manitoba	1,261,321	1,228,095
Lond. & Lancs. Guar.	666,015	644,476
London-Canada	851,828	817,326
Mercantile	582,282	575,930
National-Liverpool	316,152	189,035
North Empire	203,874	182,148
North West Fire	529,681	531,783
Occidental	1,104,665	994,729
Pacific Coast	1,659,496	1,069,785
Pictou County	49,497	44,617
Pioneer	307,986	196,410
Portage la Prairie	359,519	393,412
Quebec	554,254	544,088
Reliance	689,709	651,409
Scottish Canadian	360,077	331,964
Security-National	117,415	108,035
Trans-Canada	96,868	86,806
Wawanesa	730,855	578,538
Western	3,969,657	3,467,432
Totals	43,174,364	37,811,588

British Companies

	Excess of Assets Over Liabilities in Canada 1935	1934
	$	$
Alliance Assurance	793,453	810,368
Anglo-Scottish	342,399	326,370
Atlas	816,513	861,833
Bankers and Traders	94,585	112,455
British & European	71,183	65,609
British Crown	228,733	210,307
British General	123,392	117,294
British Law	149,178	112,873
British Oak	181,663	190,726
British Traders	1,357,358	1,327,970
Caledonian	385,628	402,305
Car & General	312,768	341,702
Central	263,749	271,646
Century Insurance	533,678	485,422
China	121,645	112,051
Commercial Un. Assoc.	1,172,611	1,210,018
Cornhill	271,214	257,371
Eagle Star	270,573	292,322
Employers' Liability	1,641,704	1,499,363
Essex & Suffolk	125,742	129,709
General Accident Fire	851,258	819,687
Guardian Assurance	1,683,313	1,692,864
Guildhall	266,844	338,664
Indemnity Marine	153,864	150,842
Law Union & Rock	796,637	768,324
Legal & General	296,959	247,229
Liverpool & London & Globe	2,700,871	2,694,948
Local Government	71,247	67,867
London-County	100,519	94,668
London & Lancashire	1,310,185	1,299,092
London & Provincial	245,953	230,235
London & Scottish	202,385	282,219
London Assurance	705,083	689,673
London Guarantee	549,616	567,024
Marine	323,453	331,464
Merchants Marine	113,724	117,948
Motor Union	256,069	222,738
National Provincial	195,343	190,478
North British	1,817,551	1,864,782
Northern Assurance	421,557	670,100
Norwich Union	986,991	1,103,189
Ocean Accident	536,962	524,855
Palatine	491,623	493,835
Patriotic	132,237	124,609
Pearl	438,011	454,799
Phoenix of London	2,299,555	2,253,840
Planet	91,689	98,628
Provincial	193,164	162,205
Prudential Assurance	946,186	973,642
Queensland	246,332	218,757
Railway Passengers	524,702	493,708
Royal Evchange	1,021,558	976,613
Royal Insurance	3,147,619	3,452,675
Royal Scottish	68,390	147,718
Scottish Metropolitan	227,543	375,699
Scottish Union	1,025,528	1,036,105
Sea	237,589	237,653
Southern	257,255	235,824
State Assurance	254,955	256,768
Sun Insurance	815,943	945,953
Union Assurance	584,337	555,768
Union of Canton	1,798,378	1,606,875
Union Marine	786,148	768,238
United British	118,478	122,150
Westminster	214,806	221,970
World Marine	255,697	398,089
Yorkshire	4,324,213	4,144,376
Totals	44,514,432	44,863,118

Foreign Companies

	Excess of Assets Over Liabilities in Canada 1935	1934
	$	$
Aetna	693,809	701,141
Affiliated	103,673	89,351
Agricultural	170,863	142,538
Alliance Insurance	194,737	209,948
American Alliance	283,655	287,105
American Central	283,099	267,329
American Equitable	84,653	85,143
American Exchange	62,485	60,418
American Home Fire	96,502	121,356
American Insurance	213,847	193,785
American Reserve	94,111	71,060
Automobile	218,457	207,069
Baloise	89,139	74,518
Bee Fire	56,299	54,679
Boston	126,185	116,936
Caledonia-American	45,203	66,686
California	134,729	199,596
Camden	128,021	125,991
Central Manufacturers	149,675	137,447
Central Union	132,238	141,195
Citizens of New Jersey	173,724	168,184
City of New York	221,720	221,659
Columbia	293,377	296,420
Commercial Union	54,252	50,857
Connecticut	304,137	478,600
Continental	871,794	721,551
County Fire	386,857	404,387
Equit. Fire & Marine	200,478	253,016
Federal	177,804	197,944
Fidelity-Phenix	703,096	585,651
Fire Assoc. of Phila.	322,840	284,439
Fireman's Fund	274,191	326,263
Firemen's Insurance	311,152	285,169
Fireproof Sprinklered	19,588	24,261
First American	225,934	216,968
First National	137,889	137,614
La Fonciere	134,475	133,065
Franklin	254,976	210,900
General of Paris	107,820	99,023
General Ins. of Amer.	306,387	297,484
Girard	109,033	105,898
Glens Falls	331,860	246,607
Granite State	96,751	91,397
Great American	903,717	885,657
Hanover	131,474	125,213
Hardware Dealers	209,481	256,819
Hardware Mutual	130,610	186,780
Hartford Fire	2,344,447	2,090,433
Home Fire & Marine	162,741	164,793
Home Insurance	1,943,973	1,657,001
Homestead	173,051	189,383
Imperial Assurance	112,981	115,494
Indiana Lumbermen's	96,420	95,306
Individual Underwrts.	90,791	69,369
Insur. Co. of N. Amer.	697,254	696,451
Ins. Co. of St. of Penn.	101,127	296,218
Inter-Insurers' Exch.	5,760	6,434
Lumbermen's Insur.	82,556	70,482
Lumbermen's Mutual	44,251	53,959
Lumbermen's Underw'g	307,780	193,884
Lumber Mutual	85,199	117,233
Manuf'ng Lumbermen's	211,635	175,152
Maryland Insurance	184,149	176,447
Merchants & Manuf'rs	80,797	83,442
Merchants Fire	178,447	171,059
Mercury	172,495	248,753
Metropolitan Fire	167,942	143,993
Metropolitan Inter-Insurers	59,618	45,012
Michigan Fire	216,578	217,808
Millers' National	124,366	120,691
Mill Owners' Mutual	174,234	157,163
Minnesota Implement	146,355	203,269
National Ben-Franklin	392,027	368,992
Nat'l Fire of Hartford	376,302	354,674
National Liberty	450,552	560,037
National Union	252,792	293,406
Newark	178,695	176,412
New Brunswick	284,613	304,388
New Hampshire	203,035	189,552
New Jersey	149,977	135,032
New York Fire	90,348	107,462
New York Reciprocal	67,329	59,118
New York Underwrts.	364,616	342,516
Niagara	384,030	448,005
North River	204,164	224,138
Northwestern Mutual	426,634	469,279
Northwestern National	970,629	927,229
Ohio Farmers	29,761	47,197
Pacific Fire	246,384	184,163
Pennsylvania Lumbermen's	105,254	107,512
Phenix of Paris	227,645	177,660
Philadelphia	129,571	129,368
Phoenix of Hartford	466,833	809,466
Pilot Reinsurance	110,473	111,808
Providence Washington	363,512	333,941
Providence of Paris	85,176	85,527
Queen of America	599,857	544,371
Retail Lumberman's	51,346	42,272
Rhode Island	117,815	106,891
Rossia	293,114	310,604
St. Paul Fire	489,632	449,386
Security	173,006	157,323
Sentinel	145,496	134,538
Springfield	450,947	388,535
Sussex	95,976	81,609
Svea	61,566	53,500
Tokio	233,779	222,923
Transcontinental	53,047	47,871
Travelers Fire	121,677	125,487
Underwriters' Exch.	8,302	7,495
L'Union of Paris	114,689	203,755
United Firemen's	119,987	118,980
United Mutual	61,631	59,287
United States Fire	682,497	624,971
L'Urbaine	160,109	166,480
Westchester	263,210	383,081
World Fire	317,038	294,469
Totals	31,068,242	30,109,601

Municipal Finances

Chandler, Que., is paying interest coupons dated July 1, 1936. Interest is also being paid on bonds which matured Jan. 1 and May 1, 1933, 1934, 1935 and 1936.

* * *

London, Ont., is seeking financial assistance from the Dominion government to the extent of subsidizing the deficit of the London & Port Stanley Railway. Accumulated deficits of the railway total $260,000 and debts continue to pile up.

* * *

Port Arthur, Ont., is calling for tenders on $12,000 of 4% school debentures. Tax collections in 1936 to June 30 total $464,471, compared with $473,117 in the corresponding period of 1935. The lower amount collected is due to a reduction in the tax rate as the percentage of the levy collected was 46% as against 45% in the first half of 1935.

* * *

Regina, Sask., has kept well within its budget during the first 4 months of the year. A statement issued by the city comptroller shows revenue for the period to be $606,449 and expenditures at $576,296, leaving a surplus or under-expenditure of $30,152.

* * *

Windsor Area Defaults—Defaulting municipalities in the Windsor area—Tecumseh, La Salle, Sandwich East, Sandwich West, Essex, Kingsville, Leamington and Riverside—are sticking pretty close to budget limits, according to M. I. Jones of the Ontario Department of Municipal Affairs. In some instances appropriations to date for welfare purposes have been exceeded, but otherwise expenditures are being kept within the original estimates.

* * *

Winnipeg, Man., is to get a reduction of 1% in interest on its $1.3 millions loan from the Dominion government for direct relief purposes. When the loan comes up for renewal the rate will be reduced from 4 to 3%.

* * *

Laterriere, Que., is paying interest coupons due May 1, 1936, and interest from Nov. 1, 1935, to May 1, 1936, on bonds matured Nov. 1, 1934 and 1935.

United States
Fidelity & Guaranty
Company
TORONTO

Eldorado Puts Ore Reserves At $1,679,884

Show Profit By Including Inventory of Products In Process

MILL 75 TONS DAILY

By including inventory of products finished and in process in its income account, Eldorado Gold Mines, radium and silver producer in the Great Bear Lake area of Canada, shows a "net profit" of $138,573 in the annual report of the company for the year ended Dec. 31, 1935.

Actual sales, however, amounted to $422,027, which, with miscellaneous revenue of $2,448, make total actual income of $424,475. On this basis, the profit and loss account would appear as follows:

Income Account
Year ended Dec. 31, 1935

	$
Sales	422,027
Operating expenses	393,633
Operating profit	28,394
Add: Miscellaneous income	2,448
Less: Depreciation	39,492
Interest on loans	16,601
Taxes and reserve	8,251
Loss for year	33,502

However, by including inventories of products processed and in process, the profit and loss account appears in the annual report as follows:

Profit and Loss Account
Year Ended Dec. 31, 1935

	$
Sales	422,027
Add: Misc. revenues	2,448
Inventory, Dec. 31	249,546
Less: Inventory, Jan. 1	77,471
Gross income	596,550
Less: Oper. expenditure	393,634
Net earnings	202,916
Less: Depreciation	39,492
Interest on loans	16,601
Taxes and reserve	8,250
Net profit	138,573
Add: Previous surplus	51,737
Balance carried forward	190,310

The report of the mine manager, E. J. Walli, contains the first real estimate of reserves obtainable from the property. Mr. Walli estimates broken ore reserves, as at Dec. 31, 1935, at 8,446 tons, with a gross value of $622,921, or an average value of $73.75, at current market prices. Unbroken ore reserves are estimated to be 8,920 tons, with a gross value, at present prices, of $1,056,963, or an average of $118.48 per ton.

During 1935, a total of 14,402 tons of ore were treated at the mill, producing pitchblende and silver concentrates to the value of $752,918 at present prices. Since January 31, the tonnage treated was increased to 75 tons per day.

At the Port Hope refinery, recovery of radium, uranium, and silver during the first 5 months of this year amounted to about $285,000. In 1935, recovery amounted to $490,000.

In the balance sheet, investments at cost are shown as current assets at $308,286. No clue as to the nature of these investments or their present value is shown in the report. On this basis, current assets totalled $918,185 of which $22,888 was in cash.

Current liabilities are confined to accounts payable of $186,624. Loans from the bank amount to $90,112 and from directors, to $233,648. Of the 3 million authorized capitalization, 2,980,000 shares have been issued.

Sigma Mines

Ore reserves of Sigma Mines, Quebec subsidiary of Dome Mines, as at April 30, 1936, stood at 215,000 tons with an average uncut grade of 6.41 dwts, and a cut grade of 4.76 dwts., J. B. Redpath, superintendent states in the annual report of the company.

Taking one dwt, to be worth $1.75 at current gold prices, this gives an uncut grade of about $11.21 per ton. The tonnage would be sufficient to supply a 100-ton per day mill for well over five years, provided the grade were commercial. No mention of milling plans, however, is contained in the report.

As at April 30, current assets comprise cash $80,112; accounts receivable, $28.72; supplies $27,027, and prepaid insurance, $4,149, making a total of $111,317. Current liabilities, including loans payable of $100,000 total $117,045, leave a deficit in working capital of $5,728. Sigma's authorized capitalization of 3 million shares is all outstanding.

The property is being developed on 4 levels. For the fiscal year, development expenses amounted to $225,347 and general expenses to $25,918.

Drill at Miller Bay Gold Cuts Vein at 185-ft. Depth

SUDBURY. — The first diamond drill hole put down on the property of Miller Bay Gold Mines in the West River area, cut vein material at a depth of 185 ft., according to reports from the field. No assays are so far available. Drilling was started recently, sponsored by George B. Webster, of Toronto, and associates, and is designed to test the possibilities of the showings on surface revealed in recent exploration work and in operations carried on about 20 years ago, about the time the Bousquet mine nearby was opened up. Both east and west of a 71-ft. shaft sunk by previous operators a vein has been traced for several hundred ft., giving average values of $8.50 over a width of 12 ft.

The drilling is continuing under the supervision of J. E. Jerome, manager of Bousquet Gold Mines.

NOTICE

Notice is hereby given that the NATIONAL SECURITY FIRE INSURANCE COMPANY has received from the Department of Insurance, Ottawa, Certificate of Registry No. C-267 authorizing it to transact in Canada the business of Fire Insurance and, in addition thereto, Earthquake Insurance, Tornado Insurance, Hail Insurance, and Sprinkler Leakage Insurance, limited to the insurance of the same property as is insured under a policy of fire insurance of the Company.

H. C. MILLS,
Chief Agent in Canada.

Toronto, June 10, 1936.

Canadian Grocer Marks Its Fiftieth Birthday

Jubilee Is Occasion for Reminiscences of Food Men

With publication of its June 26 issue Canadian Grocer celebrated its golden anniversary.

In honor of its birthday, Canadian Grocer has issued a special "Food Industry on Parade" supplement. The saga of the grocery store over the last half century which it describes is one of continual development and improvement, marked by revolutionary changes in methods of marketing, transportation, lines of merchandise and a host of innovations.

Perhaps the outstanding development of the last 50 years has been the advent of chain store marketing. When Canadian Grocer was in rompers, the grocery business consisted largely of manufacturer-to-wholesaler-to-retailer routine, with brokers taking care of sale of imported products. Very rarely did a merchant open more than one store. Indeed, although grocery chains were born back in the '90's, it was not until after the war that they began to be operated on anything like their present basis.

Born in Hamilton

The pioneer in the grocery chain business is generally recognized to be the late Wm. Carroll of Hamilton. Mr. Carroll entered the grocery business back in 1893 and 17 years later boasted 7 stores. In 1917, he initiated his cash and carry policy and with such enthusiasm did the public greet his new idea that at the time of his death in 1934, the Carroll business had grown to 114 stores with a volume of about $2.5 millions.

Then came the late T. P. Loblaw, opening the first store of his original chain in 1910. Mr. Loblaw disposed of his chain, then 19 units, to Dominion Stores, some 8 or 9 years later. He then started his first groceteria in West Toronto. Today with 111 stores, business amounts to $16 millions annually.

In Western Canada, H. M. Jenkins opened a grocery store in Calgary in 1909. Mr. Jenkins is credited with being the first Canadian to introduce the self-serve system. By 1925, he had 30 branches in Calgary and throughout Alberta. Today there are 37 with a volume of business approximately $1.8 million.

Chain grocers are now doing about a third of the Canadian trade with the individual store, including retailers in voluntary chains, about twice their total.

To a large extent an off-shoot of the chain store development has been that of the buying group or voluntary chain. Prior to 1919, there were many groups of grocers in various parts of the Dominion who bought collectively.

Start "Voluntary" Chains

In April, 1919, the first of the modern voluntary chains was begun by a group of grocers in Toronto under the name of the York Trading Co. A warehouse was opened to purchase in wholesale quantities from as many manufacturers as would sell. Each merchant who joined took out a certain amount of stock in it to form the capital essential to effective maintenance of the business. The organization was exclusively for buying until 1922, when the Superior voluntary chain group was set up. In this way, retailers were enabled to advertise collectively and operate more as a unit than they had been doing.

A number of voluntary chains have sprung up all over the country. More familiar are: Consolidated in Vancouver; Associated Grocers in Alberta; Red & White in Western Canada and Ontario; Marquis in Saskatchewan; Merchants Consolidated in Manitoba; Leader, Adanac, Federal and Carload in Ontario; Victoria in Quebec; Superior and M.M.A. in the Maritimes.

While no accurate information is available showing how much business voluntary chains in Canada are doing, government figures for 1934 show that members purchased from wholesalers a total of $26.8 millions of grocery products. Sales of all stores that year were $307.5 millions, with individual merchants getting $206.6 millions and corporate chains $100.9 millions.

Wholesalers Merge

Still another milestone has been the trend for wholesalers to work much more closely with their retailers. Many now act as the spearhead for groups of merchants across the Dominion, assisting them in buying, selling, store layouts and advertising. An important merger of more than 25 wholesalers in Ontario in 1925 resulted in the National Grocers Co. which has meant quite a reduction in the number of larger firms operating in that province. Similar mergers have taken place in Quebec province where 3 well-known firms of former days are now operating under the name of Laporte-Hudon-Herbert. Limitée. In Western Canada too, this merging tendency is illustrated by Macdonalds Consolidated—a combination of a number of individual jobbers of former years.

But organization and methods are not the only factors which have changed over the past half century. The merchandise itself shows considerable difference from that carried in the '80's. When Canadian Grocer was first published, canned vegetables were just appearing, and it was not unusual to find a can half filled with water. There were no grading regulations. Butter and cheese were rather uncertain.

Extension of credit has also witnessed substantial change. The general practice in cities was to give credit from at least 2 weeks to a month; the wholesaler was banker to the retailer. The farmer paid the country merchant his account from proceeds of his crop when marketed in the autumn, at which time the retailer would then meet his obligations to the wholesaler. As might be expected, the practice led to numerous failures.

Talk of "Good Old Days"

Leading executives of merchandising establishments have contributed to the issue, reminiscing of the good old days and noting the developments since. C. E. Edmonds, president of Christie, Brown & Co., for instance, speaks of the days when the general store was a rendezvous in all rural centres, where men of the neighborhood were wont to gather around the pot-bellied stove to discuss affairs of the day, play checkers and munch crackers out of the ever-present cracker barrel. The trade, he recalls, was canvassed every 4 or 6 weeks; today, weekly calls are customary.

J. M. Cork, president of Loblaw Groceterias, thinks the major change in retail stores has been the disappearance of cubby holes and dark corners, bringing every item of merchandise out into the open and making it available to the public.

Canadian Grocer is one of 31 publications issued by The MacLean Publishing Company, Ltd., Toronto. It is a sister publication of The Financial Post.

Canada Bread Net Rises with Sales

Shareholders of Canada Bread Co. will consider at the annual meeting on July 28 a financial statement for the year ended June 30, 1936. C. H. Carlisle, president, states the year's operations show substantial improvement in all respects.

A greatly improved position was a foregone conclusion. The 6-months report to the end of 1935 showed a net profit of $100,000 as compared with $12,689 for the comparable period of 1934. Further evidence of a concrete nature that the better results have continued was the payment of $3.50 a share on the 5% first cumulative preferred stock. All arrears were wiped out by the last payment although arrears of $2.50 a share are shown on 2nd preferred. It will not be surprising if this dividend is also shown to be fully earned.

Fortier and Co. Admits Two General Partners

From Our Own Correspondent

MONTREAL.—C. Armand Brisebois and Meandre E. Morin have been admitted as general partners of Fortier & Co., members of the Montreal Stock Exchange, the Montreal Curb Market and Canadian Commodity Exchange. Approval has been granted for the changes which are effective as from July 6. Other partners of the firm are Leopold M. Fortier and Martel Fortier.

THE DOMINION LIFE
ASSURANCE COMPANY
HEAD OFFICE • WATERLOO, ONTARIO
Give your boy or girl a real start in life with a Life Insurance Estate. Details of this Character Building plan are described in our booklet "GOOD COMPANIONS". Write for free copy.
FIRST POLICY ISSUED 1889

"Canada's Largest Fire Mutual"
The WAWANESA MUTUAL INSURANCE CO.
Ranks 3rd against all companies on total volume of fire business written in Canada
FIRE LIABILITY WINDSTORM SPRINKLER LEAKAGE DOCTORS' AND DENTISTS' LIABILITY AUTOMOBILE PLATE GLASS
Head Office—WAWANESA, Man.
Eastern Office—341 CHURCH ST., TORONTO, Ont.
Branches also at Vancouver, B.C.; Edmonton, Alta.; Regina, Sask.; Winnipeg, Man.; Montreal, P.Q., and Moncton, N.B.

Make Dividends on your Fire Insurance
TURN "EXPENSE" INTO "INVESTMENT"
OUR plan of mutual fire insurance will not only give you full protection in a sound, reliable company — it will also earn you dividends of 20% to 30% each year.
Write for descriptive folder to our nearest office
Vancouver
Kelowna
Victoria
Edmonton
Calgary
Saskatoon
Winnipeg
Toronto
Hamilton
Ottawa
Montreal
Quebec City
St. John
Halifax
NORTHWESTERN MUTUAL FIRE ASSOCIATION

THERE'S A SUN LIFE POLICY FOR EVERYONE
A PLAN WHICH COVERS MORTGAGE CANCELLATION: TO PROVIDE
A Flexible Scheme of Protection that can be adapted to—
(1) Retiring Mortgage at Death.
(2) Additional Benefits of Savings and Protection.
THE POLICY FOR THE HOME BUILDER
SUN LIFE OF CANADA
1865 1936

ROYAL INSURANCE COMPANY LIMITED

Financial Statement

31st December, 1935

Net Premiums (Fire, Life, Casualty, Marine, etc.)	$68,211,045
Net Interest Earnings	$11,612,814
Total Income	$79,823,859

ASSETS

Mortgages	$ 14,596,170
Loans	12,206,734
Government, Municipal, Railway and Other Bonds, Debentures, Stocks and Shares	218,992,411
Real Estate	12,239,751
Unpaid Balances and Premiums	11,546,316
Other Assets	2,919,901
Cash in Bank and On Hand	8,048,331
	$280,549,614

LIABILITIES

Capital Paid Up	$ 13,999,825
4% Debenture Stock	3,011,200
Reserve for Unpaid Claims	24,989,108
Sundry Liabilities	15,319,096
Reserve of Unearned Premiums, Fire, Accident, etc.	21,436,160
FUNDS:	
Life, Marine, etc.	145,711,527
Net Surplus and Special Reserves	56,082,698
	$280,549,614

(£ Sterling taken at $5.00)

ALLAN F. GLOVER, Manager for Canada
P. M. MAY
H. CHURCHILL-SMITH
Assistant Managers

The Independent Order of Foresters
Monthly Income During Disability
Certificate Plan B: Issued by the Society affords outstanding protection. It provides an Old Age Benefit, payable in one sum, for the full amount of the Certificate, on the 60th birthday, or, payment in the event of death.
In addition, the Certificate provides a generous Disability Benefit of Ten Dollars a month, for each $1000 of Protection carried. Payments of such benefit are not a charge against the Certificate when it becomes a claim, either as a result of death or old age.
The Certificate contains the usual automatic non-forfeiture privileges. Double Indemnity may be secured for the payment of a nominal sum.
FRANK E. HAND, Supreme Chief Ranger.
HEAD OFFICE, TEMPLE BUILDING, TORONTO, CAN.

"I certainly appreciate such prompt settlement"
Safety of the Company—and prompt, fair settlements are most important features to look for when insuring against fire.
For over 63 years the Economical Mutual Fire Insurance Company—with assets over $2,000,000.00—has instructed its adjusters to settle all claims without delay and with absolute fairness.
Consult your local agent about a policy in—
THE ECONOMICAL
MUTUAL FIRE INSURANCE COMPANY
Geo. C. H. Lang, President F. W. Snyder, Managing Director
HEAD OFFICE: KITCHENER, ONTARIO

Abitibi Power & Paper Company, Limited
TORONTO, ONT.
Owning and operating mills at
Beaupré, Que. Sault Ste. Marie, Ont.
Sturgeon Falls, Ont. Iroquois Falls, Ont.
Espanola, Ont. Smooth Rock Falls, Ont.
Pine Falls, Man. Fort William, Ont.
Daily Capacity 2,200 Tons Newsprint
Groundwood Pulp News Sulphite Pulp
High Grade Bleached Sulphite Pulp

U.S. Loblaw Makes Gain In 81 Stores

Reduces Materially Impairment Due to Chicago Venture

STRIKES STRIDE

Loblaw Groceterias, Inc., with headquarters in Buffalo, N.Y., made substantial progress during the fiscal year ending April 30 last. Both sales and profits were well up and the impairment account consequent on the establishment of the Chicago section some years ago shows quite a reduction.

The financial report was presented at the recent annual meeting in Buffalo by J. Milton Cork, president, and a study of this indicates that the United States Loblaw business has struck its stride and that improvement in the future should be gradual. Mr. Cork stated the Buffalo division is expected to continue its moderate expansion programme by opening new stores and meat markets during the coming year, which is along similar lines to what has been done in Canada.

$100,000 Sales Per Store

Sales for the year amounted to $7.8 millions compared with $6.5 millions in the previous year, making an increase of approximately 20%. At the close of the year there were 81 stores in operation, 70 being in New York State and 11 in Pennsylvania. Ten new stores were opened and one in Buffalo closed. The average sales per store approximated $100,000.

After reserves for depreciation had been set up the net profit was $282,345 against $218,367 the previous year. After deducting adjustments amounting to $58,219 in respect to leases in the former Chicago division, the net profit amounted to $224,126 before providing for income tax.

The stores under lease in Chicago have been sublet until March, 1937, with the sub-lessees having the option after that date of continuing the leases for the balance of their respective terms. Therefore the ultimate position of the corporation with reference to these leases cannot as yet be determined.

Impairment Less

The impairment account at April 30, 1935, amounted to $1.6 millions and at the corresponding date this year is down to $1.4 millions. The impairment account is made as follows:

Impairment Account

Impairment, April 30, 1935			$1,631,242.49
Deduct:			
Net surplus for year:			
Net trading profit, Buffalo unit	$282,345.81		
Less deficit from Chicago realization account		58,219.16	
		$224,126.65	
Adjust. re deprec. from inception of business		80,831.67	304,958.32
			1,326,284.17
Add:			
Prov. for Fed. taxes, year 1936		32,288.65	
Addit. Federal taxes, years 1934 & 1935		7,165.74	
			39,454.39
Impairment, April 30, 1936			$1,365,738.56

Working Capital Strong

Current assets as at April 30 last amounted to $1,014,858.72 and current liabilities $246,471.37.

In the United States company there are 31,851 shares of preferred stock and 63,036 shares no par value common stock. Goodwill is carried on the books at $1. The interest of the Canadian company, Loblaw Groceterias Co., Ltd., is 2,842 preferred shares and 28,600 common shares. The remaining shares are held by prominent shareholders of the Canadian company in great part.

Algoma Steel Splits Stock

Common Share Capital Increased to One Million Shares

Shareholders of Algoma Steel Corp. Ltd. meeting in Sault Ste. Marie July 4 unanimously approved a proposal whereby all of its 130,000 common shares are to be split 4 for one and its authorized common share capital increased to 1,000,000 shares by the creation of an additional 480,000 common shares. The issued common share capital at the present time is 99,725 shares, and for these 398,900 of the new shares are to be issued.

The by-law passed by the meeting further provides that the preference shares which at the present time are convertible into common stock on the basis of one common for one preferred are to be convertible into 4 common shares.

In the official notice sent out to shareholders the only reason given for increasing the common stock is that the capital of the company is insufficient for its purpose. The Financial Post understands no additional financing is contemplated at present but that the capital was increased at this time merely to provide for future financing should the need arise.

Bonds Not Issued

Early last year when the company was reorganized it was announced that an issue of $5 millions of 20-year 5% first mortgage bonds had been authorized in order to provide funds for plant expansion. While this issue is firmly underwritten no offering of the bonds has yet been made. It is possible these bonds will be made convertible into common stock, The Financial Post is informed.

Neither have any steps been taken to erect the proposed tin-plate mill at Sault Ste. Marie. There is a possibility the Dominion government may eliminate or reduce the duty on tinplate entering Canada from Great Britain. While the company is not seeking additional protection it is likely that its plans would receive a serious set-back should the traiff on this product be reduced. As a result officials of the company are watching the tariff situation closely.

Company Reports

St. Catherine Realty

Operations of St. Catherine-Stanley Realty Corp. showed slight improvement in the year ended April 30, 1936, operating profit amounting to $30,633 as compared with $29,438 in the previous year.

Current liabilities as at April 30 were in excess of current assets by $92,513. However, of current liabilities of $119,900, unpaid and accrued bond interest totalled $92,513. No payment has been made on interest since June 1 of last year when the coupon due May 1, 1934 was paid. Sinking fund requirements for the year ended April 30 have not been met and sinking fund arrears now total $101,559.

Provision for depreciation amounting to $11,800, represents 50% of the normal depreciation allowance for the year.

Income and Deficit Account
Year Ended April 30

	1936	1935
	$	$
Net rentals	87,430	86,908
Sundry income	930	1,217
Total income	88,360	88,125
Less: Expenses	34,168	35,629
Net bad debts w/o	819	901
Taxes	22,740	21,157
Operating profit	30,633	29,438
Less:		
Depreciation	11,800	11,800
Bond interest†	59,423	59,423
Bond discount w/o	5,000	5,000
Deficit for year	45,590	46,785
Add: Previous deficit	148,946	102,161
Adjustment	232	......
Deficit	194,768	148,946

†Unpaid.

Algoma Steel Corp.

Net profit of $541,814 is shown by the annual report of Algoma Steel Corp. Ltd., Sault Ste. Marie, for the year ended April 30, 1936. The report covers the first year of operations since the company was reorganized.

Working capital as at April 30 last amounted to $3.2 millions, current assets totalling $6.3 millions and current liabilities $3.1 millions. The principal current liability is a secured loan from the Bank of Montreal of $2.3 millions.

Total assets are shown at $20.9 millions. Investments in subsidiary companies are listed at slightly over $1 million while plant and equipment are valued at $13.4 millions after depreciation.

Issued share capital at the date of the balance sheet consisted of 26,390 shares of 5% preference stock, par value $100 each, and 99,725 common shares no par value. However, of the 26,390 shares a total of 2,215 shares was purchased by the company at a sale held by the Supreme Court of New York, March 6, 1936. Since these could not be cancelled or redeemed until after June 4, 1936, the shares were held by a trustee for the company until June 10, 1936, when they were redeemed and cancelled by a resolution of the board of directors.

Profit and Loss Account
From May 4, 1935 to Apr. 30, 1936

	1936
Sales	$9,240,172
Less:	
Selling and ship. expenses	226,959
Cost of products sold	7,749,071
Operating profit	1,264,142
Less: Interest on loans	63,421
Depreciation	535,767
Income tax reserve	123,140
Net profits	541,814
Working Capital	
Current assets	$6,335,390
Current liabilities	3,130,504
Working capital	3,204,886
Ratio	2.02—1

Northwestern Utilities

Northwestern Utilities, Ltd. annual financial statement for 1935 shows sales and profits higher than in 1934. Gain in gross revenue was offset to some extent by increased operating costs due in large part to the severe competition from other fuels. H. R. Milner, president and managing director, reports, however, that the optional rates offered to those who use gas for heating as well as for other purposes have become increasingly popular.

Northwestern Utilities Limited
Income and Surplus Account
Years Ended December 31

	*1935	1934
	$	$
Gas sales	1,032,280	874,915
Less: Disc. & allow.	45,691	35,769
	986,589	839,146
Less: Cost of prod., etc.	369,224	313,110
Directors' fees	330	400
Taxes	130,113	116,528
Fees & exp.	5,372	1,995
Bond exps., etc.	......	7,593
Management fees	......	25,176
Amortization res.	181,506	141,458
Bond int.	163,824	161,514
Other int.	24,195	54,886
Officers salaries	15,768	......
Bad debts	5,000	......
Bond disc. w/o	20,967	......
Total net profit from oper.	70,290	16,486
Add: Profit on merch.	914	......
Other int. received	8,287	2,791
Total net profit	79,491	19,277
Less appropriations:		
Prior pref. div.	52,524	48,147
Surplus for year	26,967	*28,870
Add: Previous surplus	343,613	389,608
Prior year adjust.	......	......
Less: Adj. prev. yrs.	13,685	17,125
Bal. carried fwd.	356,895	343,613

*Deficit.

Working Capital

	1935	1934
	$	$
Current assets	245,904	2,081,913
Current liabilities	298,101	2,270,950
Working capital	*52,197	*189,037
Ratio	0.82—1	0.92—1

*Excess of current liabilities over current assets.

Spruce Falls Power

Spruce Falls Power & Paper Co. in the year ended April 30, 1936, decreased its net loss and reduced its bonds by $1 million. Working capital surplus became a deficit. Business in the current year is improving.

Income and Surplus Account
Years Ended April 30

	1936	1935
	$	$
Net earnings	409,165	354,774
Less: Bond interest	531,667	586,667
Prov. corp. tax	25,504	23,157
Net loss	148,006	255,050
Add: Prev. deficit	669,354	414,305
Deficit car. forward	817,360	669,354
Add: Capital surplus	......	§9,996,174
Balance forward	‡817,360	9,326,820

‡Loss or deficit.
§After charging timber limit depletion.

Working Capital

	1936	1935
	$	$
Current assets	2,265,375	2,455,352
Current liabilities	2,370,896	2,290,208
Working capital	*105,521	165,144
Ratio	0.95—1	1.07—1

*Excess of current liabilities over current assets.

Inter. Hydro Electric

Consolidated net profits of International Hydro-Electric System for the quarter ended March 31, 1936, amounted to $141,290, compared with $597,536 for the same period a year ago. Net profits of New England Power were affected by rate reduction, less favorable water conditions necessitating a greater generation of power by steam and additional expenses because of the March, 1936 floods.

Net profits of Canadian Hydro declined as a result of the new Gatineau contracts with Ontario Hydro.

Narragansett Electric Co., a subsidiary of New England Power, recently called all of its outstanding 5% first mortgage bonds due 1957 and 1958 of which $33,155,500 are now outstanding in the hands of the public. A $34 million 3-year bank credit has been arranged at 3% interest to provide the necessary funds for the redemption of the bonds pending permanent financing.

Consolidated Profit and Loss
Quarter Ended March 31

	1936	1935
	$	$
Operating revenue	15,552,209	15,519,521
Other income—net	882,722	811,925
Total	16,434,931	16,331,446
Less: Oper. exps.	5,196,493	4,743,121
Maintenance	1,045,605	861,331
Taxes	1,935,667	1,837,939
Net revenue	8,257,166	8,889,055
Less: Int. on sub. debt	3,261,203	3,224,499
Int. on debent.	398,520	412,590
Debt discount	246,548	229,792
Depreciation	1,332,682	1,344,727
Income taxes	488,135	593,233
Dividends of subsid.	1,553,565	1,736,005
Divds. not paid on pref. of subsid.	586,575	404,299
Minority interest	248,648	346,375
Net profit	141,290	597,535

Additional provision for depreciation was charged directly to surplus by a subsidiary in the amount of $3,625,500 during the 12 months ended March 31, 1935, ($1,812,750 for 1933 and a like amount for 1934) and $1,750,000 during the 12 months ended March 31, 1936.

Undeclared cumulative dividends on shares held outside the company at March 31, 1936: (1) preferred stock, July 15, 1934 to March 31, 1936—$853,819; (2) class A stock, April 15, 1932 to March 31, 1936—$6,782,351; (3) class B stock (all held by International Paper Co.) April 15, 1929 to March 31, 1936—$4,751,246. Class A stock also has certain participating rights and, subject to rights of preferred stock, liquidation value of $60 a share plus accrued dividends.

The accounts of Canadian subsidiaries included in the above figures are stated on the basis of $1 for Canadian currency without adjustments for any difference in the rate of exchange. It is the practice of the companies to reflect in current operations any difference between this rate and current quotations at the time funds are actually purchased or transferred.

Foundation Co.

Foundation Co. of Canada's financial statement for the 12 months ended April 30, shows a net revenue of $95,653 compared with $84,583 in the previous year. After taking care of depreciation, mortgage interest, etc., there was a deficit of $2,017, or about $7,000 less than in 1935.

The balance sheet reflects several changes, notably the acquisition of 2 Halifax towing businesses, resulting in an increase of over $206,000 in fixed assets. The purchase of the towing business resulted in mortgages payable of $117,000 appearing on the statement. Investment in Dominion of Canada bonds increased from $228,969 to $280,614. Accounts receivable and investment in uncompleted contracts show a substantial increase, reflecting a greater volume of business on the books of the company.

Income and Surplus Account
Years Ended April 30

	1936	1935
	$	$
Gross revenue	158,409	......
Less: Legal expenses	2,242	......
Exec. salaries	60,514	......
Net earnings	95,653	84,583
Less: Depreciation	89,582	91,649
Mortgage interest	3,848	......
Income tax	......	2,000
Directors' fees	4,240	......
Deficit for year	2,017	9,066
Previous surplus	887,408	899,107
Less: Add. taxes	......	2,632
Surplus forward	885,391	887,409

Working Capital

	1936	1935
	$	$
Current assets	976,226	826,263
Current liabilities	231,799	45,940
Working capital	744,427	780,323

Can. Inter. Paper

Canadian International Paper Co.'s financial statement for 1935 shows an increase in gross sales and operating profits. However net income was insufficient to cover all interest charges, depreciation, etc., the net loss for the year being $3.7 millions, as against $3.9 millions in 1934.

The improvement in sales is reflected in an increase of $2.7 millions in net working capital. The balance sheet further reflects a reduction of around $900,000 in funded debt. This is offset by an increase in the amount due International Paper Co. from $2.5 to $6.6 millions.

Income and Surplus Account
Years Ended Dec. 31

	1935	1934
	$	$
Gross sales	38,705,851	36,006,955
Expenses	33,388,948	31,099,990
Gross profit	5,316,903	4,906,964
Less: Sub. int. charges	2,039,896	1,991,662
Int. on debt	1,385,800	1,426,514
Other interest	2,003,304	1,961,845
Amortization	373,133	356,764
Depreciation	2,178,359	2,034,396
Depletion	584,787	564,785
Sub. co's. taxes	6,648	92
Pfd. dividend	504,400	506,116
Net loss	3,759,427	3,964,823
Less: Capital profit	159,031	192,390
Deficit for year	3,600,395	3,792,433
Previous deficit	10,191,364	5,730,929
Transfer from reserve	5,325,809	......
Add: Amortization	......	668,001
Deficit forward	8,465,950	10,191,364

Working Capital Position

	1935	1934
	$	$
Current assets	21,557,901	18,590,108
Current liabs.	6,820,822	6,583,598
Working capital	14,737,079	12,006,510

Dominion Square

Dominion Square Corp. reports an operating income of $418,341 for 12 months ended April 30, 1936. This compares with $616,264 for the previous 16 months. After deducting operating and administration expenses and municipal taxes, there was a net income of $139,656 available for interest on first mortgage bonds before providing for depreciation. This compares with $265,898 for the preceding 16 months period and $192,956 available in the year ended December 31, 1933.

Interest requirements for the first mortgage bonds for the year ended April 30 last totalled $281,400, making an excess of interest requirements over available earnings for the year of $141,743.

Canadian Converters

Canadian Converters Co.'s financial statement for the year ended April 30, 1936, shows a net revenue of $31,177 as against $43,172 in the previous twelve months. For the first time in several years, the company set up a reserve of $25,000 for depreciation, leaving a net profit of $3,377 to take care of dividends amounting to $34,670. In the previous year with no provision for depreciation, net profit available for dividends was $28,172.

In the auditors' statement covering the report, it is pointed out that no recent physical appraisal of the entire property has been made which would indicate to what extent goodwill is included in that account. The balance sheet now shows fixed assets at just short of $2 millions, as against total assets of $2.7 millions.

Income and Surplus Account
Years Ended April 30

	1936	1935
	$	$
Operating profit	46,002	*40,689
Invest. income	2,475	2,483
Less: Exec. salaries	17,300	......
Net revenue	31,177	43,172
Less: Taxes	1,000	5,300
Bad debt des.	......	5,539
Directors' fees	1,800	4,162
Depreciation	25,000	......
Net profit	†3,377	†28,172
Less: Dividends	34,670	34,669
Surplus	31,293	6,497
Previous surplus	531,636	538,135
Surplus forward	500,343	531,638

*After executive salaries.
†Deficit.

Working Capital

	1936	1935
	$	$
Current assets	716,643	716,029
Current liabilities	102,231	93,298
Working capital	614,412	622,731

Dominion-Scottish Investments Ltd.

Substantial improvement in earnings and appreciation in investment portfolio is reported by Dominion-Scottish Investments Ltd. for the year ended May 31, 1936. Net profit for the year was equivalent to $1.87 a share on the preference stock compared with $1.37 a share in the previous year. Of this increase in earnings about 25 cents a share was derived from arrears of interest on Price Bros. bonds held by the trust. This is a non-recurring item.

During the year the market value of the company's investment portfolio increased by $619,790 to $2,843,531. In the balance sheet investments are carried at $3,169,470, which is cost less investment reserve.

Income and Surplus Account
Years Ended May 31

	1936	1935
	$	$
Divds. & other income	136,313	103,822
Less: Rents, salaries, gen. exps.	12,743	11,439
Directors' fees	3,000	3,000
Int., exchange, etc.	654	910
Trustees' & auditors' fees	1,678	1,632
Net earnings	118,237	86,841
Less Tax provision	6,671	5,066
Net profit	111,566	81,755
Less: Pref. divds.	104,475	74,625
Surplus for year	7,091	7,150
Add: Prev. surplus	68,838	61,688
Balance carr. forward	75,929	68,838

Trust and Loan Co.

Trust and Loan Co. of Canada reports a revenue for the year ended March 31 last of £209,415. This is in contrast to £243,806 in the preceding fiscal year.

Analysis shows that the board transferred £40,278 from the reserve for unpaid interest, while the amount brought forth from last year in surplus account was £1,729.

After transferring £132,645 to reserve for unpaid interest, providing for current expenses, losses on operating investments, exchange, debenture interest and taxation, and after transferring £25,000 from the contingencies account, a balance of £828 remains as a credit in the surplus account.

The sum of £4,490 was written off for net realized losses on loans and land investments in Canada.

Shareholders' Position

	1936	1935
Rate earn. per sh.	1.29%	0.64%
Divs. paid per sh.	nil	nil
Net profits	£25,901	£10,134
P. & L. surplus	£ 828	£ 1,729

Loblaw Groceterias

Profits of Loblaw Groceterias Co. Ltd. showed a slight increase in the year ended May 31, 1936, amounting to $1.11 a share on the class A and class B stock, compared with $1.08 a share in the previous year.

Gross sales for the year amounted to $16,292,497 as against $15,497,356 in the year ended May 31, 1935, an increase of 5.1 per cent.

Working capital improved by $56,707 during the 12-month period, to $2,540,928 at May 31 last.

The company now has 111 stores in operation, and of these 48 are market stores. The latter were increased by 14 during the year.

Income and Surplus Account
Years Ended May 31

	1936	1935
	$	$
Net oper. profit	1,037,597	988,034
Add: Int. on invest. & bank balances	46,757	51,842
Net earnings	1,084,354	1,039,876
Less: Prov. for inc. taxes	167,000	143,000
Net profit	917,354	896,876
Less: Class A divds.	445,306	447,331
Class B divds.	383,300	383,300
Surplus for year	88,748	66,245
Add: Prev. surplus	2,921,643	2,874,397
Profit on sale of bds.	1,069	......
Less: Addit. inc. tax pr. yrs.	16,900	18,999
Surplus forward	2,994,560	2,921,643
Earns. per Share and Divd. Record:		
Classes A & B:		
Earned	$1.11	$1.08
Paid	1.00	1.00

Working Capital
As at May 31

	1936	1935
	$	$
Current assets	3,537,221	3,407,643
Current liabilities	996,293	923,422
Working capital	2,540,928	2,484,221

Can. Wirebound Boxes

Considerable improvement in earnings is shown by the report of Canadian Wirebound Boxes Ltd. for the year ended April 30, 1936, net profit after all charges amounting to $130,068. Earnings on the class A stock before taking participating provisions into consideration were equivalent to $2.13 a share compared with $1.36 a share in the year ended April 30, 1935. This increase in per share earnings is partly due to higher profits and in part to a further reduction in the number of class A shares outstanding.

During the year the company purchased and cancelled 8,473 class A shares, thereby reducing the number outstanding to 55,144. An expenditure of $169,220 for this purpose explains the reduction in working capital from $330,899 to $254,625 despite an increase in earnings.

Income and Surplus Account
Years Ended April 30

	1936	1935
	$	$
Net earnings	196,988	166,650
Less: Depreciation	51,641	47,726
Prov. for inc. tax	15,279	6,533
Def. oper. exps. w/o	......	4,223
Def. exper. & testing w/o	......	1,299
Moving exp. & plant alter. w/o	......	11,167
Net profit	130,068	95,702
Less appropriations:		
Special surplus acct.	12,476	9,491
Class A divds.	60,937	64,868
Surplus for year	56,655	21,343
Add: Prev. surplus	38,379	17,836
Profit on sale of bds.	......	351
1934 inc. tax adjust.	......	335
Fire loss adjustment	......	466
Less: Loss on sale of equip.	2,528	1,944
Adjust. re inc. tax	2,779	......
Earned surplus for'd	89,727	38,379
Earnings per Share & Dividend Record:		
Class A: Earned†	$2.13	$1.36
Earned‡	1.50	1.36
Paid	1.00	1.00
Class B: Earned‡	0.87	nil
None paid.		

†Before taking participating provisions into consideration.
‡After taking participating provisions into consideration.

Working Capital
As at April 30

	1936	1935
	$	$
Current assets	357,408	401,954
Current liabilities	102,783	71,055
Working capital	254,625	330,899

Canadian Wineries

Canadian Wineries earnings in the year ended April 30, 1936, were $43,000 lower than in the preceding year. Two factors are mentioned by F. W. Lee, president, as responsible for this decline: 1st, the cost of developing business in the United States; and 2nd, a general decline in the Canadian wine industry as a whole.

"The American business is developing and its ultimate success does not appear to be in doubt," says Mr. Lee. He adds that total sales of the Canadian wine industry dropped more than 30% in the year and Canadian Wineries total followed suit.

On May 16, 1936, Liquor Control Board of Ontario reduced the retail selling price of wine in order to increase sales and at the same time eliminated a tax of 10 cents a gallon on wine sold in Ontario while the federal tax of $1 per proof gallon on fortification spirit was also dropped. Native wine sales as a whole continued to decline but company sales since that date had increased.

Working capital improved. Cash position is better. The bank loan is down $20,000 at $80,000 and accounts payable are lower.

Consolidated Income and Surplus Account
Years Ended April 30

	1936	1935
	$	$
Net earns. from oper.	64,001	95,613
Less: Directors' fees	660	740
Mortgage interest	357	459
Prov. for income tax	......	177
Officers' salaries	10,000	......
Legal fees, Can.	2,400	......
Legal fees, U. S.	3,483	......
Net income	47,101	94,237
Less: Depreciation	36,596	37,055
Income tax	5,923	9,439
Net profit	4,582	47,743
Less appropriations:		
Dividends	17,100	22,300
Surplus for period	*12,518	25,443
Add: Previous surplus	149,441	123,998
Balance carried for'd.	136,923	149,441

*Deficit.

Working Capital

	1936	1935
	$	$
Current assets	636,072	650,646
Current liabilities	132,493	196,601
Working capital	503,579	454,045
Ratio	4.81—1	3.31—1

Muirhead Cafeterias

Muirhead Cafeterias Ltd. reports a further increase in net loss in the year ended Feb. 29, 1936. Deficit for the year after depreciation amounted to $21,409, compared with $18,833 in the previous year. This is the fourth successive year in which the company has reported a loss.

Income and Surplus Account
Years Ended

	Feb. 29, 1936	Feb. 28, 1935
	$	$
Net earnings	2,591	8,617
Less: Depreciation	24,000	24,000
Special repairs and replace. w/o	......	3,450
Net loss	21,409	18,833
Add: Previous deficit	33,805	15,123
Profit on securities§	3,462	151
Deficit car. forward	51,752	33,805

§Profit on sale and revaluation of securities.

Working Capital

	1936	1935
	$	$
Current assets	60,353	51,798
Current liabilities	21,267	19,423
Working capital	39,086	32,375

Dominion Motors, Ltd.

Dominion Motors Ltd. financial statement for the year ended March 31, 1936, shows bank indebtedness under the trust mortgage to have been reduced from $541,018 to $517,764. The year's loss was $27,165.

York Acceptance Corporation subsidiary was wound up and its charter surrendered.

Toronto Durant Company will be wound up and disposed of as soon as possible.

Current assets are shown at $8,320, and current liabilities, including bank advances, at $529,402. Fixed assets are shown at $675,330.

The capital of $2.8 millions has a deficit against it of $2.7 millions, leaving only $149,599.

Corporate Investors Ltd.

As reported by The Financial Post in its issue of June 20, earnings and value of investment portfolio of Corporate Investors Ltd. showed considerable improvement in the year ended April 30, 1936. Profits for the year were equivalent to 18.4 cents a share and the market value of its investment portfolio is shown at $613,702 while the book value is $550,364. Details of the income and surplus account are as follows:

Income and Surplus Account
Years Ended April 30

	1936	1935
	$	$
Inc. from invest.	20,605	9,132
Other interest	665	476
Total revenue	21,270	9,608
Less: Admin. exp.	3,663	1,582
Taxes	35	200
Net income	17,632	7,836
Add: Previous surplus	1,719	567
Less: Dividends	13,109	5,694
Org. exp. w/o	......	1,000
Invest. reserve	1,793	......
Balance forward	4,449	1,719

Mexican Light & Power

The Mexican Light & Power Co. almost earned bond interest in 1935 after depreciation but it did not pay interest on the 6 per cent income debenture stock and accumulations at the end of 1935 were $711,036.

The company's gross revenue was reduced 6.5 million pesos during the year because of the lower rates imposed by the Department of National Economy. There was an increase in current sold during the year but much more was generated. The company suffered materially from fraudulent stealing of current. The company had been unable to get energetic official co-operation in its efforts at protection and moreover had to pay generating tax on the current stolen. Strikes showed an abnormal increase in the industrial area served.

Working capital improved. Cash and liquids are strong.

Consol. Income and Surplus Account
Years Ended December 31

	1935	1934
	$	$
Gross oper. earns.	7,809,824	7,855,779
Oper. expenses	§5,311,140	§5,252,836
Net oper. earn.	2,498,684	2,602,943
Res. for doubtful accts. deducted	196,009	202,817
Inc. from invest.	28,378	76,762
Net income	2,331,053	2,476,888
Admin. & gen. exp.	*143,631	†153,518
Total net earnings	2,187,422	2,323,370
Less bond interest:		
Mexican Light & Pwr.:		
5% 1st mtge., 1940	493,035	509,433
5% 2nd mtge., 1968	615,707	643,561
6% cum. inc. bds.	......	329,340
6% inc. deb. stock	*711,036	355,523
7½% gen. unsec. bonds	......	262,500
Mexican Electric Light:		
5% 1st mtge., 1942	242,900	246,895
Pachuca Light & Pwr.:		
5% 1st mtge., 1967	173,320	179,080
Sinking funds:		
Mexican Light & Pwr.:		
5% 1st mtge., 1940	120,000	120,000
5% 2nd mtge., 1969	228,423	201,815
Mexican Electric Light:		
5% 1st mtge., 1942	60,000	60,000
Pachuca Light & Pwr.:		
5% 1st mtge., 1967	43,723	40,036
Net exch. differences	24,089	21,618
Net profit	‡525,010	‡646,431
Add: Prev. surplus	1,051,032	1,697,463
Balance forward	526,022	1,051,032

‡Loss.
†Includes directors' fees of $18,200.
§Includes depreciation of $1,582,392 in 1935 and $1,574,600 in 1934.
*Including remuneration of directors of $9,200 and remuneration of counsel, solicitors and legal advisers, and executive officers of $100,073.
*Payable only out of surplus revenue in accordance with terms of trust deed.

	1935	1934
Times Bond Interest Earned:		
After deprec., etc.	0.96	0.92

Working Capital

	1935	1934
	$	$
Current assets	6,918,459	6,437,998
Current liabs.	1,961,617	1,969,452
Working capital	4,945,842	4,468,546
Ratio	3.5—1	3.27—1

Mexico Tramways Co.

Mexico Tramways Co. net operating deficit in 1935 was greater than in 1934. The increase was due to a strike from March 28 to May 6, 1935, and the obligation under which the company was placed to pay full wages during the strike period.

Claims against the Mexican government were reduced during the year from $1.4 millions to $875,941. They were settled by the company agreeing to take payment in paper pesos instead of gold in 11 annual payments. One payment was received.

Working capital is down but still strong.

Consol. Income and Deficit Account
Years Ended December 31

	1935	1934
	$	$
Car earnings	2,204,402	2,414,702
Misc. earnings	65,690	79,987
Gross oper. earnings	2,270,097	2,494,689
Expenses	2,771,467	3,051,906
Strike expenses	221,404	......
Net oper. deficit	722,774	557,217
Invest. revenue	72,898	595,658
Net loss on exch. & sundry adj.	37,368	31,333
Admin. & gen. exps.	*111,260	104,631
Net loss	798,506	97,523
Mexico Tram. bond int.	......	85,816
Net exch. on int. & s.f.	......	48,460
Net loss for year	798,506	231,800
Previous deficit	6,407,890	6,176,090
Deficit forward	7,206,396	6,407,890

*Includes remuneration of directors, excluding executive officers, $16,000, and remuneration of counsel, solicitors and legal advisers, and executive officers in Mexico and elsewhere, $79,188.

Working Capital

	1935	1934
	$	$
Current assets	1,542,913	1,929,446
Current liabs.	468,791	315,144
Working capital	1,074,172	1,614,302
Ratio	3.30—1	6.12—1

Fight Waxes Over Control Of Wineries

President Replies to Critics — U. S. Drinking Preferences

"UNFAIR" SAYS LEE

Fight for proxies to control Canadian Wineries continues actively. F. W. Lee, president, has issued another letter under date of June 30 to shareholders in answer to the letters sent out by Hon. W. D. Ross and by W. B. Milner.

Mr. Lee states that, in his opinion, "the attacks upon the management of the company are unfair, uninformed and insincere." He claims the attacks are "unfair" because the decline in the wholesale wine business is something common in the industry as a whole, and "quite beyond the control of your management."

Has Cut Costs

He goes on, "The management has cut its costs to meet the situation. But I have seen business fluctuate up and down many times, and I have no doubt that if it is now down it will be up again; and the company is in shape to benefit immediately from an upturn. Since May 1, 1929, your company has paid $209,000 in dividends to shareholders and spent $460,000 on new plant, additions, alterations and improvements."

Hon. Mr. Ross's references in his letter of June 27 to the disappointing results of American business, lead Mr. Lee to say there was not a dissenting voice when the proposal to embark on the enterprise was made. He states Mr. Milner obtained an option to purchase 55,000 shares of the company at a price of $5.40 per share net to the company, and reported that he had succeeded in interesting a New York house in the sale of the stock.

Dispute re Profit Amount

If Mr. Milner had been able to sell this stock he would have provided the company with $297,000. The company would in that case have had its surplus in actual cash, no bank loans, and ample funds to pay dividends as well as to develop the American market. His answer to criticism that no depreciation had been written off the Lewiston plant was that it had only been completed during the year, and that it is not customary to charge depreciation during the development period.

Mr. Lee argues that a wine manufacturing business is not created in one year or 2, and it would have been proper not only to have absorbed depreciation but also the operating loss for the year in the capital charges. If this had been done the company would have had a profit of $30,000. He considers the depreciation of $36,596 ample in view of the heavy reserve for depreciation already set up.

New Industries

Eastern Drug Corporation, Ltd., has made application for a federal charter. Head office and warehouse will be in Montreal. R. H. Bertram will be managing director. (Drug Merchandising)

Morden's Drug Co., Ltd., has been incorporated in Vancouver. The company is authorized to retail and wholesale drugs and sundries. (Drug Merchandising)

Daily Commercial News notes that:

Fred. A. Lallemand Refining Co. of Can., Ltd., Montreal, has under construction a $4,000 addition to its food products manufacturing plant.

John Labatt, Ltd., London, Ont., has awarded contract for alterations to the surface cooler room at the brewery.

Burdened With Responsibilities

It is unfair to your friends or relatives to burden them with the responsibility of managing your Estate. This responsibility placed in the hands of a Trust Company, where an especially trained personnel lends its accumulated knowledge and experience to the management of the Estate, constitutes the greatest safeguards for your heirs.

MONTREAL TRUST COMPANY
61 Yonge St., Toronto
J. F. HOBKIRK, Manager

FRIENDLY SERVICE

Come to the Bismarck for luxurious comfort ... good food ... and that elusive something called "friendly service" that makes you feel right at home. Every modern hotel convenience is here at your beck and call.

Rooms with bath, $3.50 up.
Rooms without bath, $2.50.

Write for booklet with map of Chicago.

BISMARCK HOTEL
RANDOLPH AT LA SALLE — CHICAGO

Canadian Pacific Express
Travellers Cheques
Are World Currency

Carry them on your next trip and be assured of travel comfort.

Get them from any agent of the Canadian Pacific & most Banks

GLOBE ENVELOPES
Makers of Well Gummed Envelopes
360 ADELAIDE STREET WEST-TORONTO

TOOLE, PEET & CO.
LIMITED
FINANCIAL AGENTS
Appraisers and Valuators
Estates Managed
CALGARY CANADA

Investors' Chronicle
6d Established 1860 6d
Has the Largest Net Sales of any Weekly Financial Newspaper in Great Britain
OVERSEAS FINANCE
Special Correspondents in all Financial Centres
A free specimen copy will be forwarded on post card application to:
THE PUBLISHER,
INVESTORS' CHRONICLE,
20, BISHOPSGATE,
LONDON E.C. 2, ENG.

GOLF WEEK
July 14th to 19th

at the MANOIR Richelieu

Once more your golfing highlight looms: that annual glorious week at Murray Bay. Tuesday, Wednesday and Thursday for practice rounds. Ladies 7th Annual Invitation Tournament (18 holes — medal play) on Friday and Ladies Putting Competition Saturday morning, climaxed by the 9th Annual Competition for the Manoir Richelieu Golf Club Shield (36 holes—medal play) played on Saturday in conjunction with the 9th Annual Invitation Tournament. Prizes for all events.

Special rates include meals and berth on steamship, room with bath and meals at Manoir Richelieu and transfer between dock and hotel. Daily steamship service.

Special All-Inclusive Rates from Montreal
Sailings at 6.45 p.m., E.S.T.
$57.00 Leaving Mon., July 13th
$49.00 Leaving Tues., July 14th
$41.00 Leaving Wed., July 15th
$33.00 Leaving Thur., July 16th
$25.00 Leaving Fri., July 17th

Return Montreal, 7.00 a.m., E.S.T., Mon., July 20th. Automobile rates: Montreal to Murray Bay and return $15.

For full information, reservations, etc., apply to any tourist agent or to
CANADA STEAMSHIP LINES
380 BAY STREET, TORONTO 715 VICTORIA SQUARE, MONTREAL

Week in Wheat

Weather in Driving Seat Of World Wheat Market

Liverpool Forced to Follow Feverish Lead Here — Big Canadian Supplies Held for Export to U. S.

From Our Own Correspondent

WINNIPEG.—World wheat markets have been dominated during the past week by weather conditions on the North American continent. Although with some reluctance, Liverpool has been following the trend established at Chicago and Winnipeg.

Rapid as was the recent price advance, it has been less than would have been considered a normal response to the definite crop loss already established were it not for the big government-held Canadian surplus. Overseas buyers have held back from forward commitments in the belief that the Canadian surplus would still afford them ample supplies. Investors, although they have been coming into the market at a greater rate than for many months past, have been hesitant about purchasing in the belief that the concentrated government holding in Canada prevents the natural bullish factors from having full sway.

Much of the buying that has pushed Canadian prices upward has come from United States. Mills there concede that they will have to continue to obtain considerable supplies from Canada. Although taking of cash wheat has been rehedged in the Winnipeg market, hedges have again been lifted as forward sales of flour have been made of grindings from Canadian wheat.

U. S. Buys

WHILE Canada was credited last week with shipments of over 5 million bushels, nearly a quarter of these, the highest percentage for a long time, consisted of duty paid wheat entering the United States. Another feature significant of the trend is found in last week's clearances of wheat down the lakes from Port Arthur and Fort William. Substantial as these were, the great bulk of them were consigned to Buffalo. The movement of grain to Montreal has been at an extremely meagre rate. That is an indication that exporters want to continue to hold wheat in position where it may be available for sale to the United States, and do not want to get it out of position for meeting the demand that may develop in that direction.

* * *

Minimums Uncovered

UNDER the stimulus of the advance, wheat in both Western Canada and in the Argentine has become worth more than the government fixed prices in each of these two countries. What little wheat Western Canadian farmers still have to sell is now coming on to the open market, instead of being delivered to the wheat board at the minimum basic price of 87½ cents. At the latter figure during most of this crop year the government agency has acquired the great bulk of the western crop. So also the Argentine surplus begins to be available for the market, as quotations have passed the minimum price at which the government has been buying wheat and below which it has not been willing to supply grain for export. This would be a much more important factor except for the fact that the latest figures have reduced the size of last year's Argentine crop and have indicated that the total quantity which must be exported to European markets during the remainder of the crop year is very small.

* * *

Canadian Crop Dominant

SO FINELY balanced is the world's wheat supply and demand situation this year that the outcome of the Canadian crop stands to tip the scale of price measurement," summarizes Norris Grain Co. "Many have chosen to regard the recent big price upturn as buying hysteria, but a careful study of world conditions leads one to believe that there is good basis for expecting that international wheat price levels will be substantially higher this year than prevailed last season. Such calculations need not be based upon world wheat consumption of so-called normal seasons and may be taken seriously upon the reduced basis of experience of recent years. It is estimated that the world's wheat carry-over this year is 220 million bushels smaller than it was a year ago and now is the smallest in 9 years."

* * * *

World Surplus Evaporating

WORLD surplus of wheat which 3 years ago reached an all time peak of nearly 790 million bushels was down to 388 million at the beginning of the month, according to United States official estimates. This compares with 532 million a year ago.

Though some increase in world production over 1935 is expected this year, particularly in the southern hemisphere, where abnormally low yields were harvested last season, nevertheless production is not expected to quite equal consumption. Much will depend on the duration of the heat wave, now shrivelling the crop in the northern states and western Canada.

In any event, with world carry-over at the lowest point in 9 years, and still shrinking, the Washington Bureau of Statistics intimates that a permanently higher level of world wheat prices may be expected.

New Wheat

Following further rains in Australia the outlook in that country is materially improved.

* * *

Ontario's winter wheat crop is ripening and a fair yield from a lower than average acreage is expected.

* * *

The United Kingdom wheat crop is estimated at 59 million bushels as compared with 65.4 millions in 1935 and 69.8 in 1934.

* * *

Too much moisture and cold weather is delaying seeding and germination of the winter wheat now being sown in the Argentine.

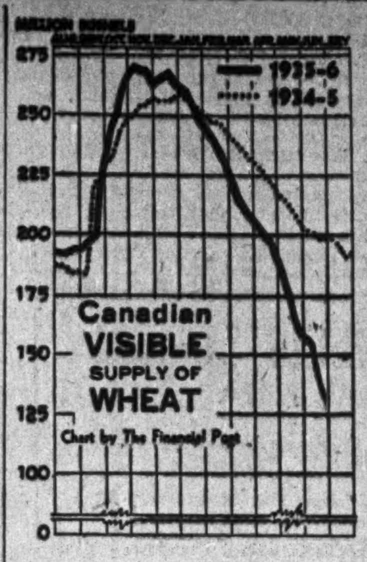
* * *

United States winter wheat, the harvest of which is in full swing in Kansas and Texas and Indiana, is turning out about the double the scant return of a year ago. Quality is reported excellent. Market increases in the last few days, following drought damage in the northern spring wheat areas, have added millions to the southern farmers' wheat revenue.

* * *

Three months of below-normal rainfall have continuously reduced spring wheat prospects in United States. Current estimates for the total crop now run between 100 and 140 million bushels as compared with 170 millions a year ago and a 1928-32 average of 242 millions. In the drought year of 1934 the crop was under 92 million bushels.

After serious damage along the southern border the heat wave has been relieved in western Canada by light rains and slightly cooler weather. But general rains and still lower temperatures are needed by mid-July to ensure a fair to good crop in the northern areas.



DROPPING FAST

With five weeks of the current crop year still remaining Canadian visible supply of wheat in marketable position was down to approximately 135.5 million bushels last week. This compares with almost 200 millions a year ago. The recent heavy selling indicates that Canada will start the new crop year on Aug. 1 next with the lowest carryover since 1930. Three years ago the crop year commenced with a visible 211 millions or an all time high. Previous to the accumulating policy of the pools and later the McFarland Wheat Board, a normal carryover was in the neighborhood of 50 millions.

Heavy sales by the Canadian Wheat Board in recent weeks and particularly during the last few days indicate that government holdings are now considerably below the visible figures. A fair quantity of the wheat shown in the above chart is now believed held by private traders. A year ago, on the other hand, practically all of the visible was in the hands of the government agency.

Much of the recent export, it is understood, has gone to United States and both the Wheat Board and private traders are believed holding large quantities in favorable positions for further shipment in that direction. Drought in the spring wheat areas of the U. S., of course, is responsible for the recent activity in American buying.

Notwithstanding rapid deterioration of both the Canadian and U. K. spring wheat crops in the past week, the present Canadian Wheat Board, it is stated, will continue to sell freely.

Details in bushels are as follows:

Canadian Visible

Week of June 26	Week Previous	Last Year
135,525,000	141,791,000	196,876,000
Export Clearances*		
4,022,223	6,120,759	1,617,503

*Plus U. S. imports.

See U.S. Again Short of Grain

Drought Indicates Continuance of Canadian Wheat Exports

From Our Own Correspondent

WINNIPEG.—There is no doubt that the United States will continue to be an extensive importer of Canadian wheat during the new crop year. In fact, that movement is actually now in progress, for the new crop year has already, with the advent of July, begun in the United States.

Downward Revision

Estimates made about July 1 credited the United States with a possible production of about 631,000,000 bushels of wheat this year, 500,000,000 bushels of winter wheat and 131,000,000 bushels of spring wheat. Now the latter estimate will have to be drastically reduced, with further destruction of crops by heat and drought since the beginning of July, and total production may run under 600,000,000 bushels, or about 50,000,000 bushels less than actual needs of the country for a whole year.

Coarse Grains Too

The loss of oats, barley and rye from drought may lead to importations of feed grains from Canada, and a good deal of Canada's surplus of feed wheat, on which the duty is only 10% ad valorem, may be disposed of south of the line.

A revival is also expected of United States demand for Canadian malting barley. Not only is the country consuming a great deal of beer, but distillers are manufacturing whisky at more than the normal rate of consumption in order to accumulate supplies for ageing.

Talk New Plan In Setting Up Wheat Prices

Varying Guaranteed Price to Suit Crop Size Suggested

From Our Own Correspondent

OTTAWA. — Considerable pressure has been exerted from Western interests to have the government guaranteed price for the new wheat crop announced this month. However no announcement has been forthcoming nor is any move expected until at least the present market excitement dies down. There is a good deal of hope that the market may permanently offer prices in excess of the basic rate of 87½ cents per bushel which has been paid by the Board during the current crop year.

But there is practically no expectation that the minimum guaranteed to farmers will be any higher than last year. Nor, in spite of demands that the government should guarantee a minimum price of 95 cents or $1, can it be said that there is any very strong feeling in favor of such a course.

A Limit to Losses

However, the west wants all it can get for its wheat, that is all the market can pay. In addition, if the market price is unduly low it feels that the principle embodied in the Wheat Board Act is sound, that is of some guarantee of a minimum return, at the public expense if necessary. But it has no feeling that it can make unlimited demands on the public treasury. And it knows that a good crop at a fair price is better than a poor crop at a higher price. It also knows that the current year's operations of the Wheat Board, quite apart from the losses incurred on stabilization operations of previous years, are likely to result in a deficit running into $10 millions or more.

The price of 87½ cents is for No. 1 wheat in store in terminal elevators at Vancouver or at the head of the lakes. But the average grade of grain sold was somewhere between No. 4 and No. 3 and the average price guaranteed was hardly more than 76 cents a bushel. On the 220 million bushels of wheat which will be the total of farmers' deliveries this year, the total return guaranteed to farmers of the West was $170 millions.

If farmers' deliveries out of the next crop run to 300 million bushels, with an average grade of No. 3, a basic price for that grade of 56 cents a bushel, which would mean about 62 cents for No. 1 Northern, would mean a guarantee of practically the same total return. And if the total wheat crop should be 400 million bushels, with deliveries running to 350 million bushels, it could be claimed that a basic price of less than 60 cents a bushel would represent as generous a guarantee as the 87½ cents of the current year. To a large number of farmers, who had partial or complete failures last year, it would, in fact, mean more.

Much Depends on Market

Should the market remain at its present levels, or show any tendency toward going higher, there would, in fact, be little concern about any guaranteed minimum from the government. It is conceivable, therefore, that the government might decide to delay the establishment of any basic price until it is seen how the crop turns out, and how the market acts. It is recalled that the minimum price for the current year was not established until new grain had been actively marketed for some weeks. If the provisions of the Wheat Board Act permit, therefore, and this is a matter of doubt, the Board might delay indefinitely announcing any guarantee for the new crop, taking action only if that appears later to be necessary.

If such a plan were decided upon, it might be necessary, in order to obviate any undue strain on the market machinery, for the Board to suspend for a time sales of its holdings of old wheat, in order to leave a clear field for the selling of the new crop.

Pay Bonus Instead

Some thought has been given to another idea. This would have the government agency, instead of actually buying wheat, allow marketing to proceed in the normal way, and after the greater part of the crop had been delivered, announce a minimum basis to which adjustment would be made to those farmers who had found it necessary to sell below that level.

This would enable the government to know more exactly the extent of possible loss to which it was committing itself, while, in addition, adjustment might be confined to those farmers who, because of small yields as well as low prices, were most in need of it.

Big Slice of Wheat Award For C.C.F and Pool Paper

From Our Own Correspondent

OTTAWA.—About 25% of the money paid to the prairie wheat pools under the 1930 crop settlement approved by parliament last session is going to assignees of farmers. The total sum appropriated was $6.6 millions and up to mid-June $5,820,472.42 had been paid. Of this, $1,560,795.19 was paid to assignees and the balance to farmers.

The government's payment is in final settlement of the wheat pool accounts of 1930-31. The pools are passing the money along to the holders of the participation certificates in these pools and a return tabled in parliament proves that many of the farmers have not held their certificates but have assigned them. Where an assignment is proved, the money goes to the person or company holding the certificate.

C.C.F. and Pool Paper

High up on the list of beneficiaries of this governmental handout are the United Farmers of Canada (Saskatchewan Section) which cashes in to the extent of $49,251.86 and the Modern Press of Saskatoon (publishers of the Western Producer) which receives $30,737.94. Both have been clamorous in demanding a cash settlement from Ottawa, though the extent to which they stood to gain thereby has not been officially made public until now. The first is, to all practical purposes, the Saskatchewan arm of the C.C.F.; the second is the propagandist newspaper of the Saskatchewan pool.

It was announced a few weeks ago that the government had held up these payments but the return makes clear that the hold-up was only until proof of assignment of certificates could be obtained.

Other Beneficiaries

Other corporations which benefit because they hold certificates include:

Banks	
Commerce	$290,962.83
Royal	222,789.68
Montreal	149,410.46
Imperial	50,902.07
Toronto	50,076.39
Nova Scotia	35,036.75
Miscellaneous	
Co-operative Credit Societies of Southern Alberta	$98,590.46
Soldier Settlement Board	61,287.36

In the case of the banks and other lending institutions, the certificates were accepted in settlement of debt. In the case of the United Farmers and the Western Producer, the certificates were assigned in settlement of subscription and membership dues.

Price Changes In Newsprint Boost Outlook

Overseas Increases Enhance Possibility of Better Domestic Price

From Our Own Correspondent

MONTREAL. — Newsprint bond values advanced sharply this week on the news, first published in The Financial Post, that an adjustment had been made in the selling price to overseas markets, particularly those of Central and South America and Australia.

For some time past the South American market has been a sore spot in the price structure. The price received by the manufacturer has, in many cases, been insufficient to cover the cost of manufacture. The advance up to a maximum of $10 a ton, therefore, put this market in line with others and strengthened the position of the Canadian operators in their plans to secure a better price in the domestic market for 1937.

In the last 6 months newsprint security values have moved up on reports of record production and increasing consumption. It was recognized that speculative buying had been largely responsible for the move, as the price received for newsprint paper did not hold out any particular hope of an early return on capital. All that was needed to give the market a firm basis was some indication of an adjustment of selling prices to a more remunerative level. The action in connection with the South American and Australasian markets did just that and solidified growing confidence in the outlook for the industry.

May Affect Revenue

There has been a tendency to over-rate the news on the new price for overseas markets. It is a favorable development, but those companies shipping to the Southern markets are likely to have their earnings and shipments adversely affected by it—at least temporarily.

At present Canadian mills supply about 100,000 tons to Central and South America and around 150,000 tons annually to Australia and New Zealand.

The advance in the Australasian price is not likely to result in a loss of business to the Canadian mills so that the increase of approximately £1 per ton will add appreciably to the net profits on this business.

Switch to Europe

The South American market, on the other hand, is subject to competition from Scandinavian producers and there is a better than average possibility that some of the Canadian business will be switched to Scandinavian mills.

There is no means of telling at this time what the possible loss will amount to, but it is reasonably certain that the Canadian mills will lose several thousands of tons of business.

Those companies likely to be affected include Price Bros. & Co., Canadian International Paper, St. Lawrence Paper, Consolidated Paper, Mersey, and some of the West Coast mills. In all there are 8 Canadian manufacturers shipping to overseas markets.

A loss of tonnage in the South American markets to the Scandinavian countries may be a blessing in disguise. It might ease the pressure on the United States market. Imports of European newsprint into the United States have grown relatively rapidly in the last 2 years. While small in volume in comparison with Canadian shipments, these imports are sufficient to have a strong bearing on market prices.

In the event that the Scandinavian countries decide to go after a larger share of the South American market, the loss in tonnage to the Canadian mills would be more than compensated by a strengthening of their position in the American market.

Trend Highly Significant

While the adjustment of the price structure in the South American market probably will not add anything to the gross returns of the Canadian mills, the move is of much importance as indicating what is likely to take place between now and the end of the year in the American market.

The United States is the best market for Canadian newsprint. Further it is the logical market and an upward revision of prices on 1937 deliveries would make a material difference in earning power of all the domestic manufacturers.

Price Still Low

The present official price of newsprint in the United States is $41 a ton delivered in New York and Chicago zones. The net price to Canadian producers is probably $2 a ton less than that figure.

Last spring the Canadian manufacturers secured an increase of $1 a ton in the American market. While this was welcome, being the first advance in more than a decade, the increase did not cover the advance in production costs.

What has been of greater importance this year is the continued advance in consumption. Canadian mills are operating now around 85% of effective capacity, which has meant an increase in the gross dollar volume of business and a lowering of costs per ton of output.

Net Increase Important

Consequently earning power of the producers has been appreciably larger this year than for some time past. However, the industry has not returned to the level, where there is an adequate return on capital. A further advance of $2 or $3 a ton in the American market, however, would put the industry "over the top."

Over the past few years several efforts have been made to bring about a more uniform price policy among producers, but for one reason and another, they have fallen short of their objective.

This lack of co-operation has been the principal drawback in restoring confidence in the ability of the industry to re-establish itself on a paying basis.

There is still a great deal of "wreckage" to be cleared away. There is no assurance that Consolidated Paper will be able to meet the fixed charges on its funded debt for the last half of this year. Bondholders may be asked to defer this charge for a limited period.

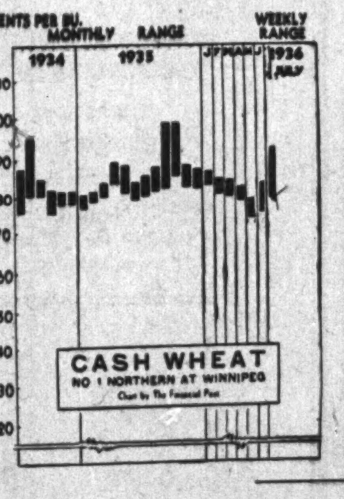
Abitibi is still in the hands of a receiver and though the Ontario Minister of Lands has suggested a reorganization should be effected, no plan has been brought forward.

Price Bros. & Co. is in the same position, and the conflict of interests as to who shall control the property has not been settled, at least publicly.

Minnesota and Ontario's operations are carried on by a receiver and will eventually have to go through a reorganization.

These corporate problems, affecting 4 of the largest producers in the industry, will have to be settled but the steady and marked improvement in operations, together with the much improved outlook for earnings, leads to the belief that newsprint securities are again coming into their own.

Wheat Prices



(Cash Quotations)
For Week

	July 7 High $	July 7 Low $	Prev. Week High $	Prev. Week Low $
At Winnipeg:				
1 Man. Hard	.93⅜	.82⅞	.85¾	.83½
1 Northern	.92⅝	.80⅝	.84	.81¾
2 Northern	.90⅝	.78⅜	.81¼	.79½
3 Northern	.85⅝	.74⅜	.77¾	.75½
4 Northern	.80⅞	.69⅞	.73½	.71
5 Wheat	.73⅞	.62⅝	.65¾	.63½
6 Wheat	.74⅜	.60⅞	.62½	.61
Feed Wheat	.56⅛	.46⅝	.49⅝	.47½
Vancouver: Week to July 6:				
1 Northern	.89⅝	.78⅛	.81¼	.79

Competitive Export Prices:
(July) shipment.

	High Week to July 3	Low Week to July 3
No. 1 North. (Vanc.)	0.99¾	0.94¼
No. 2 North. (Atlan.)	0.97⅞	0.93⅝
No. 2 North. (Vanc.)	0.98⅝	0.93¼
Hungarian*	0.83¼	0.80⅞
Argentine Rosafe	unquoted	
Do., Barusso	unquoted	
Australian (Afloat)	0.97⅝	0.93⅝
Australian	1,00⅝	0.95½
French	0.80⅛	0.80⅛

*Old and new crop, July-Aug. shipment.

Winnipeg Grain Futures

Week to July 7, 1936

Crop year from Aug. 1, 1935 High	Crop year from Aug. 1, 1935 Low		Open June 30	High for week	Low for week	Close July 7
		Wheat				
.94⅝	.73⅛	July	.81½	.94⅝	.80⅝	.91
.93⅞	.74⅜	Oct.	.82¼	.93⅞	.81	.90¼
.94	.76½	Dec.	.82⅝	.94	.81¼	.90⅝
		Oats				
.38⅛	.30	July	.31¾	.38⅛	.31	.35⅝
.37⅞	.29⅝	Oct.	.31	.37⅞	.30⅝	.35¾
.37¾	.28¼	Dec.	.29⅞	.37¾	.29⅛	.35¼
		Barley				
.49½	.35⅝	July	.38¾	.49½	.38¼	.47
.47½	.34⅛	Oct.	.38	.47½	.37⅜	.45
.47¾	.38	Dec.	.39⅛	.47¾	.38¼	.45¼
		Flax				
1.63	1.40¼	July	1.44¾	1.59⅛	1.44¾	1.58½
1.59¾	1.37½	Oct.	1.45¾	1.59¾	1.45½	1.58
1.59½	1.49½	Dec.	......	1.59¼	1.49½	1.56½
		Rye				
.60½	.39½	July	.48¾	.60½	.48¼	.56¾
.62	.41½	Oct.	.50⅛	.62	.49¼	.57¾
.62⅝	.43	Dec.	.51⅛	.62⅝	.50⅛	.58⅝

DIVIDEND NOTICES

SOUTHERN CANADA POWER COMPANY LIMITED

Common Dividend No. 45

A DIVIDEND of Twenty Cents (20c) per share, being at the rate of 80c., per annum, on the no par value COMMON STOCK of Southern Canada Power Company, Limited, has been declared for the quarter ending July 31st, 1936, payable August 15th, 1936, to shareholders of record at the close of business on July 31st, 1936.

By order of the Board,
L. C. HASKELL,
Secretary.

Montreal, June 26th, 1936.

Notice to:
The Holders of First (Closed) Mortgage Sinking Fund 6% Gold Bonds, Due April 1, 1948, of
DOMINION SQUARE CORPORATION

Notice is hereby given that the undersigned, Dominion Square Corporation, on the 15th day of July, 1936, will make payment of the instalment of interest which became payable on the 1st day of April, 1934, in respect of the above mentioned Bonds.

Such payment will be made at the option of the respective holders, in lawful money of Canada, at the principal office of the Bank of Montreal, in the cities of Montreal, Toronto, Halifax, Quebec, Ottawa, Winnipeg, Regina, Edmonton, or Vancouver, or in lawful money of the United States of America at the head office of the National City Bank of New York in the City of New York, U.S.A., upon presentation and surrender of the coupons representing the interest payable on the said 1st day of April, 1934.

Montreal, June 25th, 1936.

DOMINION SQUARE CORPORATION
J. S. McFarland
Secretary.

Penmans Limited

Dividend Notice

Notice is hereby given that the following Dividends have been declared for the quarter ending the 31st day of July, 1936:

On the Preferred Stock, one and one-half per cent (1½%), payable on the 1st day of August to Shareholders of record of the 21st day of July, 1936.

On the Common Stock, Seventy-five Cents (75c) per share, payable on the 15th day of August to Shareholders of record of the 5th day of August, 1936.

By Order of the Board.
C. B. ROBINSON,
Secretary-Treasurer.
Montreal, June 29, 1936.

CANADIAN GENERAL INVESTMENTS LIMITED

Dividend Notice

NOTICE is hereby given that a dividend of Ten Cents (10c) per share on the paid-up capital stock of the Company has been declared to shareholders of record June 30th, 1936, payable July 15th, 1936.

SHARE WARRANT holders will present Coupon No. 32 at the Main Office of the Bank of Montreal in Victoria, Vancouver, Calgary, Edmonton, Winnipeg, Montreal, Halifax, St. John, or at the King and Yonge Streets Branch, Toronto, where payment will be made at par.

By order of the Board.
R. M. STRAIN,
Secretary.

IMPERIAL PRODUCTS

IMPERIAL OIL LIMITED

Incorporated in 1880 Imperial Oil's earliest operations were confined to Western Ontario, but through the years it has steadily expanded its services and now is represented in every community in Canada.

Directly or through its subsidiaries it engages in every phase of the petroleum business. It produces crude oil and transports it by pipe line, tankship and tankcar; it refines the crude petroleum into 714 different products, it makes these products available even within the Arctic Circle.

Advertising of this company appears in —

Maclean's
Canada's National Magazine

◆

GRAIN MERCHANTS In World Trade
Owning and Operating
Terminal Elevator at Port Arthur
(Capacity 5,500,000 bushels)
Over 900 Elevators in Western Canada
EST. 1857
SHIPPERS & EXPORTERS
JAMES RICHARDSON & SONS Limited
WINNIPEG REGINA MONTREAL MOOSE JAW VANCOUVER SASKATOON TORONTO CALGARY KINGSTON EDMONTON

SEARLE GRAIN COMPANY
LIMITED
Country Elevators — Commission Merchants — Future Orders — Domestic and Steam Coal — Flour and Feed
OFFICES:
WINNIPEG — EDMONTON — CALGARY
FORT WILLIAM — VANCOUVER
SEARLE TERMINAL LIMITED
WINNIPEG - FORT WILLIAM

FEDERAL GRAIN LIMITED
OPERATING TERMINAL ELEVATORS – FORT WILLIAM – PORT ARTHUR – VANCOUVER
423 COUNTRY ELEVATORS THROUGHOUT THE WEST
101 COAL SHEDS
Our Service and Facilities Guarantee Satisfaction

GRAND TRUNK PACIFIC ELEVATOR CO.
LIMITED
LOCATED AT FORT WILLIAM ON C. N. R. & C. P. R. ELEVATOR ABSOLUTELY FIREPROOF THROUGHOUT. OPERATED BY ELECTRICITY — CAPACITY 5,750,000 BUS.
Frederick B. Wells, President
J. E. Dudley, Vice-Pres. and Gen. Mgr.

A Complete Investment and Trading Service
STOCKS . . . . BONDS
GRAIN . . . . . MINES
MELADY, SELLERS & CO. LTD.
Grain Exchange WINNIPEG Phone 92709

N. M. PATERSON & COMPANY LTD.
Own and Operate
One Terminal Elevator in Winnipeg
Two Terminal Elevators in Fort William
109 Country Elevators
Total Storage Capacity 6,925,000 bus.
31 Vessels on the Great Lakes
Total Carrying Capacity 4,500,000 bus. per trip
Head Office: FORT WILLIAM, ONT.

RELIANCE
GRAIN COMPANY LIMITED
Owners and Operators Country Elevators and Terminals
Exporters and Shippers
SMITH, MURPHY CO. INC.
510 PRODUCE EXCHANGE, NEW YORK
Head Office: 919 Grain Exchange, Winnipeg
Branch Offices: Toronto and Vancouver

Your Questions Answered Without Charge
As a subscriber to The Financial Post you are entitled to information regarding any Canadian investment that you are interested in.
If not already a subscriber, address your enquiry to The Investment Department when sending in your subscription.
USE THIS COUPON
THE FINANCIAL POST,
481 University Ave.,
Toronto 2, Canada.
Please send me The Financial Post for the next year (52 issues). I enclose $5.00.
Name ....
Occupation ....
Address .... F.P.

The Week in Mining

Hint of Free Gold Mart Has Vital Implications

Suggestion Made Roosevelt Courting Idea of Letting "Demand" Settle Dollar Price

With nothing particular at home to worry them, Canadian mining markets are inclined to look at United States, with its forthcoming presidential election, for excitement.

Some market observers are holding the view that the present mining market will hold at least until the U. S. election is over, and the industrial stocks regain confidence.

In connection with the election, Whaley-Eaton Service, of Washington, see as a possibility the opening of a free gold market in U. S., with no set price for gold, if Roosevelt is re-elected. The price of gold would be determined in the open market and would vary according to demand. According to Whaley-Eaton Service, which is not given to vapid conjecturing, Roosevelt has been in consultation with the administration's experts, whose advice was followed in changing the gold content.

The subject is an exceedingly complex one, and it is impossible, without further details of objectives, to conjecture what the effect of such a move would be on gold stocks. If, as Whaley-Eaton suggest, consideration is being given to increasing the gold content of the U. S. dollar, in order to check a possibly dangerous rise in commodity prices, the effect would be decidedly bearish, as far as gold stocks were concerned. But would this be the effect of such an open market?

The present gold content of the American dollar is about 59 cents as compared with a pre-Roosevelt 100 cents. The U. S. president is without authority to raise it above 60 cents, although he can cut it to 50 cents. It is felt that political pressure for the government to bid, in the proposed open market, higher and higher dollar prices for gold would be strong. The temptation to avoid further taxation by running up the price of gold, and taking more paper profits, would be tremendous, for any administration. So that the effect, as far as the gold miner is concerned, of such a move, might be very bullish.

In the meantime, the important thing, as Whaley-Eaton points out, is that further experimentation with gold is "in the picture."

Eldorado's "Profit"

WHILE shareholders of Eldorado Gold Mines should be grateful for the fact that the annual report of the company, recently released, contains considerably more information, property-wise, than former reports, they may be pardoned for scratching their heads over the financial statements accompanying the report.

Mine accounting practice varies widely, and mining companies are given considerable leeway, in order to allow the figures to truly represent the varying conditions prevalent in Canadian mining. Accordingly, within a broad era, few are in a position to say one method of showing the financial picture is wrong and another right. All that can be said in such cases is that one form adheres to accepted mining accounting practice and another does not.

It is doubtful if the "profit and loss account" accompanying the Eldorado report can be said to conform to accepted mining accounting practice.

This statement, as reported in another column, shows a "net profit" of $138,573. This net profit is arrived at by including as income, "inventory of finished products and in process at Dec. 31, 1935," and, of course, deducting "inventory of finished products and in process at Jan. 1, 1935."

This raises the question as to whether products in process can justly be counted in the year's income to show a net profit. It is assumed that some of these products are silver, and a smaller amount lead. How can shareholders know what prices will be obtained for, say, silver in the next few months? Or, for that matter, for radium?

If such inventories, which Eldorado has estimated to the last cent, were not included in income, an operating profit would have been shown, but the net would have been a loss, as is shown in the news columns.

Many shareholders will feel that some further explanation of this method of setting up the profit and loss account is necessary.

Also, as it will be noted, no provision has been made for depletion of the property.

* * * *

Current Assets

AS TO the balance sheet, among current assets are investments, at cost, of $308,286. If such investments are to be counted as a current asset, it would have been more satisfactory to give an approximation of the market value today, or better still, a tabulation of the chief stocks in the portfolio. As it is, shareholders have no way of knowing whether the investments represent bonds, industrial or mining stocks.

Also shown as a current asset are "Inventories — stores, supplies and products $506,627." It would be of interest to know how much of this amount is represented by supplies, etc., and how much by products, which are duplicated in the profit and loss account.

These are questions which directors, or the auditor, will probably be asked to explain at the annual meeting.

* * * *

Property Developments

LITTLE fault can be found with the report on the property itself, which is, by a supplementary report, brought up to May 31, 1936. The remoteness of this property, the obstacles overcome, and the fact that it is the Empire's pioneer radium producer, make it an intriguing proposition.

It is interesting to note that, according to Charles LaBine, president, the company had produced 22 grammes of radium up to the end of June. Average production is now one ton of pitchblende concentrates per day. Broken and unbroken ore reserves now total 17,366 tons, with a gross estimated value of $1,679,884.

If some of the features of the financial statements can be cleared up, it would go far to restore public confidence in this interesting venture.

* * * *

Sigma's Report

THE report of Sigma Mines indicates very plainly that this property must prove itself as a large tonnage, low grade proposition. This probably accounts for the fact that the management of this Dome subsidiary, which is exceptionally capable, makes no mention in the report of mill plans, despite the fact that ore reserves, probable and positive, are put at 215,000 tons, sufficient to last a 100-ton mill for more than 5 years. The grade of these reserves is given at 6.41 pennyweights uncut, and a cut grade of 4.76 pennyweights. At present prices, a pennyweight of gold is worth about $1.75, which makes the uncut grade about $11.21 and the cut grade about $8.33.

At the annual meeting of Dome, the parent company, shareholders were told that the shaft would be continued to 1,000 ft. and 4 more levels opened up.

In the meantime, while not spectacular, results at this property at least justify continued exploration, and shareholder confidence.

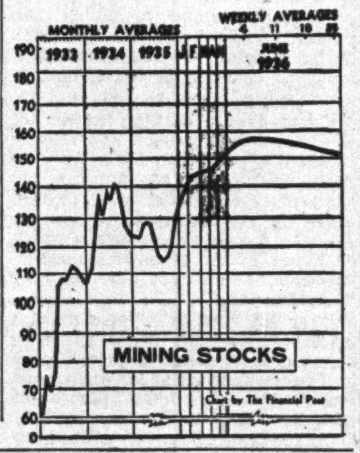
* * * *

Index to Mining Stocks

THE majority of prices of mining issues continued the downward course, commenced 3 weeks ago, resulting in the general index receding from 154.9 for the week of June 25 to 154.4 for the week of July 2. The index for the week of July 4, 1935, was 118.8.

The gold index represented by 20 stocks maintained practically the same level, due to a moderate advance in price of a few senior gold issues. The index was 132.9 for the week of July 2, as compared with 132.8 for the previous week and 112.1 for the corresponding period last year.

A loss of 3 points was recorded for the base metals, placing the index for this group at 243.7 for the week of July 2. The comparative index for the same week in 1935 was 149.0.



At the Mines

Big Master Consolidated — Vein No. 3 at the property of Big Master Consolidated Gold Mines, in the Kenora district, has proved its continuation for another 500 ft. to the north, John C. Rogers, consulting engineer, reported on his return from the property. The vein shows an average width of 3 ft. or more, he states. Channel samples are being cut.

* * *

Beaufor Mining Corp.—Work on this property is now being carried out on 3 veins in the south ore zone, J. P. Norrie, general manager reports. Equipment has been ordered for sinking the No. 4 shaft, most of which is now on the property. The bottom level station has been prepared for installation of machinery.

* * *

Faulkenham Lake Gold Syndicate.—In the Red Lake area, reports that on surface 2 veins have been uncovered, one of which had been traced for over 500 ft. showing good mineralization. It is expected that Faulkenham Lake Gold will shortly go into company formation. The property adjoins Madsen Red Lake Mines on the south.

* * *

Golden Gate Mining Co.—Dewatering operations having been completed, drilling from the 350-ft. level is scheduled to commence shortly. The collar of the shaft has been repaired, and retimbering of the 350-ft. basin completed. This property is in the Kirkland Lake area.

* * *

O'Brien Gold Mines.—Has secured an option on the new Cline Lake holdings property, near Lochalsh, Ontario, from the Dyment Mining & Investment Co., Toronto. Engineers of O'Brien are now engaged in examining the property.

* * *

Perron Gold Mines—J. P. Norrie, general manager, in reporting on operations for the 2 weeks period, June 1 to 15, states the mill was operated 356 hours on 2,173 tons of ore, on a recovery basis of 98% and production of 622.83 oz. of gold.

* * *

Pioneer Gold Mines — Estimated production for June is $205,000, The Financial Post is officially informed. Expenses for the month are estimated at $74,000 before depreciation, depletion and taxes. This compares with May production of about $206,000 and expenses of $75,000.

* * *

West-Side Long Lac Gold Mines—Announces that diamond drilling at the property in the eastern section of the Little Long Lac district has been carried out for several weeks. It was found necessary to abandon the first hole because of caving, but the No. 2 hole intersected 25 ft. of vein matter, showing good mineralization at a depth of 175 ft. Results of later holes are not available.

McMillan Gold Gets New Deal

G. A. Foot Given Free Hand in Revival Attempt

From Our Own Correspondent

SUDBURY.—Shareholders of McMillan Gold Mines, at a special meeting here, gave unanimous approval of the proposals of G. A. Foot, director, and associates to re-open the mine and undertake a further programme of diamond drilling.

The meeting rescinded the motion of May 9 last which called for the permanent closing of the mine and sale of the assets. Consent was also given to Mr. Foot to borrow $10,000 on security of the company's assets or a promissory note as determined by the board of directors, and the sale of 100,000 shares of treasury stock at 10 cents a share for the purpose of retiring the loan.

The $10,000 will be put to work almost immediately in diamond drilling, Mr. Foot stating that it is his intention to put down at least 4 500-ft. holes from the 875-ft. level in an effort to prove up continuation of the main vein to the deeper horizons. As it is estimated there are at least 18,000 to 20,000 tons of low grade ore left on the 525 and 425-ft. levels, consideration will also be given to opening the mill to treat this tonnage.

With the purchase by Mr. Foot and his associates of the holdings of the New York interests, amounting to 500,000 shares, Sudbury stockholders now hold voting control. It is expected Geo. M. Miller, of Sudbury, who was representative of the New York majority interests, will retire from the presidency.

Wood Cadillac Mines — Management reports that tenders are being called for several thousand feet of drilling, and that sufficient funds are on hand. Drilling has been recommended by Julius Cohen.

CHIBMAC MINES Limited
CHIBOUGAMAU AREA

Your broker has latest reports on these properties which include 55 claims in Scott and Barlow Townships.

An active programme of work is well under way to determine the extent and value of the exceptional discoveries made last year.

This attractive offering may be purchased from your Broker or from

W. McKenzie & Company
132 ST. JAMES ST. W. - *PLateau 6685 - MONTREAL

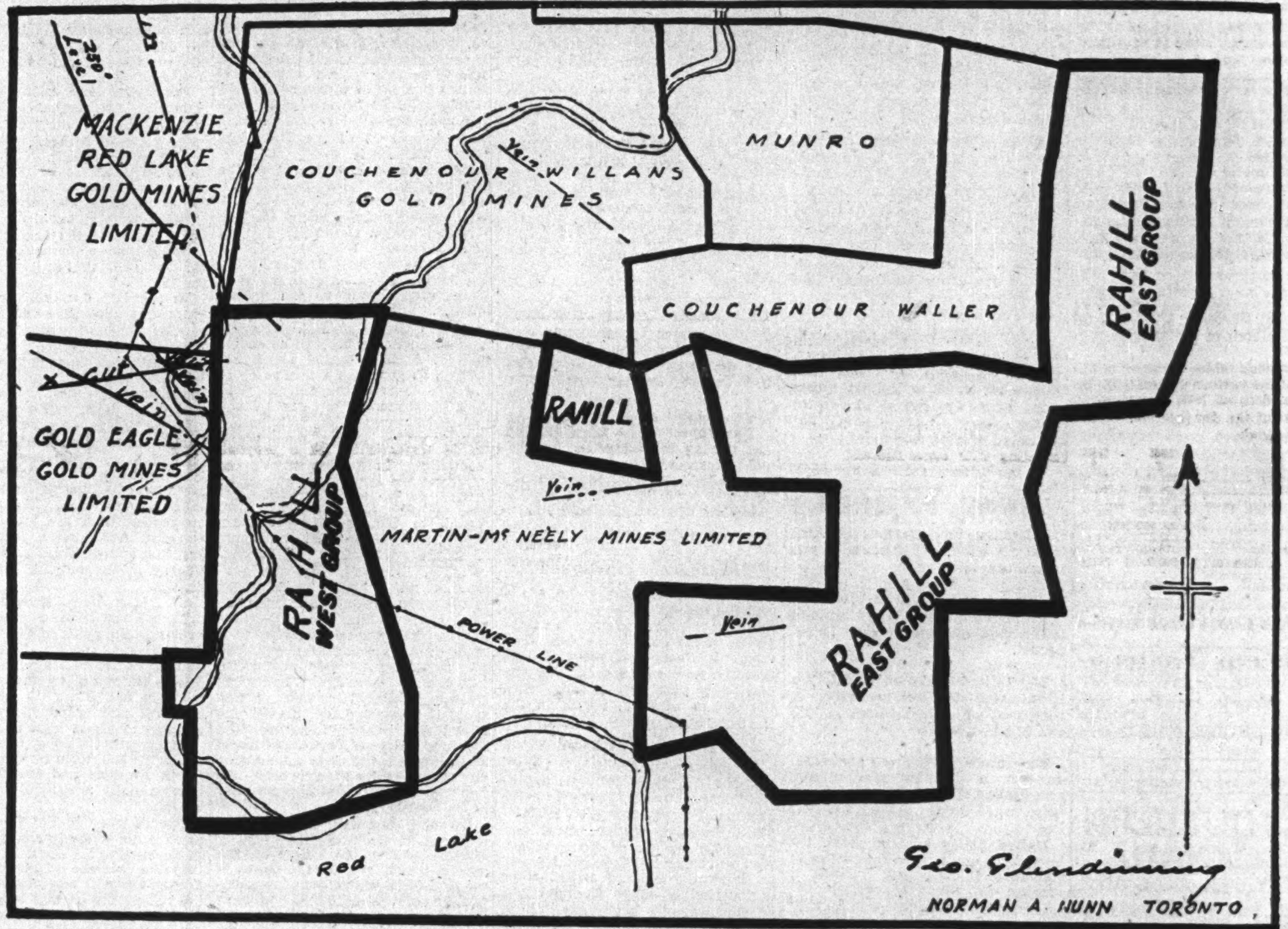
N. C. URQUHART & CO.
STOCK BROKERS
Members Toronto Stock Exchange
15 King Street West Toronto, Ont.
ADel. 6028

MOOSHLA

We have prepared an analysis of this important gold property in the Bousquet area, Quebec, where very high average gold values have been obtained. Shaft now being enlarged and deepened. Copies available upon request.

DRAPER DOBIE & CO.
Members
The Toronto Stock Exchange
330 BAY ST. ADel. 9171 TORONTO

An Offering of Shares of
RAHILL RED LAKE
MINING COMPANY LIMITED
(No Personal Liability)
in the Immediate Centre of Interest
in the Red Lake Area



Location map of the properties of Rahill Red Lake Mining Company Limited.

ADJOINING

GOLD EAGLE GOLD MINES
Approx. Mkt. $2.20 per share.

MACKENZIE RED LAKE GOLD MINES
Approx. Mkt. $2.10 per share.

MARTIN McNEELY GOLD MINES
Approx. Mkt. 95c per share.

The management of the Company is commencing an energetic programme of development, commensurate with the important mining possibilities evidenced by the gold discoveries already made on its properties, and will explore the extensions from zones indicated on the Gold Eagle Gold Mines, Limited, MacKenzie Red Lake Gold Mines, Limited, and the Martin McNeely Gold Mines, Limited.

The recent important ore discoveries on the 500 foot level of the Gold Eagle Gold Mines are already developed to within 200 feet of the Rahill boundary and are striking easterly towards the Rahill property. An advance diamond drill hole has cut ore within 50 feet of Rahill boundary. Results from the first of a series of diamond drill holes to prove these extensions on Rahill are given below in a wire from the Company's engineer, who reports as follows:

"NUMBER ONE HOLE CUT TWO SHEARED ZONES IN LAST TWO HUNDRED FEET STOP SECOND ZONE LOOKS GOOD WITH QUARTZ AND MINERALIZATION IN DIORITE STOP FORMATION ALTERNATES SEDIMENTS AND DIORITE STOP"

These results confirm the opinion of Mr. W. P. Mackle, expressed in his report to the Company, that the prevailing geological conditions on the Gold Eagle will extend easterly into Rahill ground.

According to press reports, the Martin McNeely Gold Mines are obtaining favourable results in drilling a wide porphyry dyke situated close to the corner of the Rahill central claim and striking easterly towards the large east group of Rahill, distant only about 900 feet from the place in the dyke where the gold is being found.

On the Hill Claim, one of Rahill's south-easterly group, an important gold discovery has been made showing spectacular free gold, giving assays of $50.00 over a width of ten feet and has already been stripped and trenched for some distance.

CAPITALIZATION
Authorized
3,000,000 Shares
$1 Par Value
Issued
1,898,454 Shares
(as of July 6, 1936)

Head Office
1004 Bank of Hamilton Bldg., Toronto
Transfer Agents
Chartered Trust & Executor Co.
Toronto

WE MAKE THE ABOVE OFFERING OF SHARES SUBJECT TO PRIOR SALE AND ALLOTMENT

At 50c Per Share

LLOYD LOTT & COMPANY LIMITED
67 YONGE ST., WAverley 2989-90 TORONTO

This issue having been underwritten, the treasury of the Company has received payment or commitment to pay, consequently the proceeds of this sale will not go into the treasury of the Company whose securities are hereby sold to you.

If you believe
MINES ARE MADE BY
- HONEST EFFORT
- SOUND FINANCING
- PROGRESSIVE MANAGEMENT

DARWIN
invites your attention

PRODUCTION

NOVEMBER 1935	$2,034
DECEMBER	$7,875
JANUARY 1936	$15,977
FEBRUARY	$21,434
MARCH	$20,411
APRIL (Including Ball Mill Cleanup)	$28,000
TOTAL	$95,731

READ THIS: On a new vein recently encountered on the 6th level, 72 feet of ore, averaging $64.95 over 3 feet, has been opened up. This is one of the most important finds in Darwin's history.

Market Closed . . . July 7, 71-75

Order by the coupon below, or wire your order at our expense.

TFP12
H. R. BAIN & COMPANY, LTD. Bain Bldg., Toronto AD. 4271
I wish to subscribe for ________ shares of Darwin Gold Mines Limited at a maximum price of ________c.
☐ I am enclosing cheque for $________ to cover.
Name ________
☐ Send stock with draft attached to ________
Address ________
☐ Please send me further information.
The proceeds of this sale will not go into the treasury of the Company whose securities are hereby sold to you.

In Porcupine —
Canada's Dominating Gold Camp
MINERAL ESTATES
LIMITED
WAVERLEY 2354
HEAD OFFICE:
34 KING ST. E., TORONTO

STARTS SECOND YEAR AS QUEBEC PRODUCER

Lamaque Gold Mines, Quebec subsidiary of Teck-Hughes Gold Mines, is just starting its second year as a producing mine. Publication of a report covering operations for the 5 months ended May 31, 1936, has again created considerable market discussion. The report shows positive ore reserves of 378,485 tons averaging about $10.95, with gross value of mill heads per ton at $12.85.

While tonnage of reserves has increased from the 335,685 tons shown March 31, the grade has declined from 6.69 to 6.26 dwt. The above is a recent view of the property showing part of the mill at extreme right, shaft house and other buildings.

B.C. Output Boosted by Small Mines

Output May Exceed 1935 Despite Closing of Anyox Plant

INCREASE OVER 9%

From Our Own Correspondent

VANCOUVER.—Mineral production in British Columbia for the first 6 months of this year was up $2,049,625 above the figure for the first half of 1935, according to a review of the mining industry prepared by Dr. John F. Walker, provincial mineralogist.

Despite shutdown of the great Anyox copper operations and a sharp drop in silver prices, the total mineral output this year, Dr. Walker predicts, will equal or excel that of last year, when it was valued at $48,821,239. This is made possible by the development of many smaller properties all over the province into producing mines.

In the first half of this year B. C. mines turned out mineral worth $23,722,299. While this was an increase of $2,049,625 or 9.4% over the total for the corresponding period of 1935, it was a drop of $3,426,266 from the last 6 months of last year.

Placer Gold Increases

The outstanding feature of the mining industry in the 6 months ended June 30 was an increase of 50.7% in placer gold production as compared with the same period of 1935. Lode gold output was up 16.7%. Dr. Walker believes that placer gold will be worth more this year than at any time in the last 35 years. In both classes of gold, he anticipates an increase in value this year over last.

While silver production shows a slight increase in volume, the drop in prices of 20 cents an ounce in the last year will reduce the value of this metal below the 1935 figure.

Copper production has dropped sharply following the closing of the big Anyox camp. Lead is up slightly in volume and its value has increased on account of advancing prices. Zinc is down somewhat. Coal output is up 12.1%.

Remarkable Recovery

The most remarkable recovery was recorded in the production of structural materials, the value of which increased 34% in the first half of the year, due to general improvement in the building trades.

British Columbia mines paid dividends of $1,524,235 in the first half of this year and $2,611,523 more will be paid in July or August. In addition, the Granby Consolidated Mining and Smelting Co. has paid out $4.5 millions in capital disbursements.

Dr. Walker's tables summarize the output of the various minerals in the first 6 months of 1936 as compared with that of the same period a year ago as follows:

	1935 $	1936 $
Gold (placer)	201,956	303,089
Gold (lode)	5,654,896	6,598,800
Silver	2,753,677	2,056,600
Copper	1,997,875	803,970
Lead	4,160,999	5,695,920
Zinc	3,383,221	3,945,920
Coal (2,240 lb.)	2,578,050	2,890,000
Structural materials	560,000	750,000
Misc. metals, minerals and materials	382,000	678,000

Margaret Red Lake Succeeds Nortricia

Plans Work on Property Adjoining Wilson Red Lake

To acquire the properties of Nortricia Mines, Margaret Red Lake Mines has been formed, with an authorized capitalization of 3 million shares, $1 par value. Of this, one million shares of vendor stock are pooled.

The property, which was originally held by the old Smith-Morrison Syndicate, consists of a group of 54 claims bounded on the north by Wilson Red Lake, on the west by Richmac Mines, and on the south by Cochenour-Willans.

The company states that from reports and work done by Reginald Hore, Percy Hopkins, and Alex Reading, an ore shoot was disclosed, showing an approximate length of 100 ft., width 20 ft., and sampling average of $13.30 per ton. Mr. Reading estimates that there are over 4,000 tons of ore ready for milling. Work is already under way cleaning out old trenches and other surface work. The work is being financed by Richmond Development Co.

Cariboo Ledge Mining Outlines Development

Holding 28 claims on Anderson Mountain, Cariboo Ledge Mining Co. Ltd. plans to proceed with development by tunnelling in accordance with the engineer's recommendations.

Cariboo Ledge Mining Co. has an authorized capitalization of 2 million shares, of which 550,000 shares have been issued for property and development work and an additional 250,000 shares are currently being offered by MacGregor Twaites & Gray Ltd., of Vancouver.

Of the vendor stock, 450,000 shares are in escrow. At the conclusion of the present offering, there will remain in the treasury 1.2 million shares.

In a circular recently issued, a report by Matthew M. Reese, mining engineer, is quoted, in which Mr. Reese says in part: "I do not hesitate to say that the actual conditions are identical with those found at the important properties of the district, and that you are well warranted to proceed with the development of this property."

Gold Island Drilling

WINNIPEG.—Gold Island Mines, adjoining Gold Lake Mines property, has commenced drilling. The property lies to the south of Gold Lake and its surface showing appears to be an entirely different break to that on Gold Lake on which their shaft has been put down. C. B. Dawson, consulting engineer for Gold Island, says indications are excellent on the surface and that if drilling proves continuation to depth, the property has a real future.

Yukon Border To Make Issue

Needs Funds to Continue With Manson Creek Work

Holding what the company feels to be some promising leases along Manson Creek in the Omineca district of northern British Columbia, but with depleted treasury, Yukon Border Placer Golds plans to offer present shareholders 150,000 treasury shares at 10 cents per share, in order to finance preliminary drilling, John E. Hammell, president, states in the annual report of the company recently released.

Captain "Bob" Adams, field manager, estimates that $15,000 would be sufficient to cover preliminary drilling, in view of the fact that a Keystone drill, all its accessories and enough gasoline and food for 3 months operations are on the property. This drilling would indicate whether continuance of drilling operations was warranted or not. If drilling were to be carried on, it is estimated that another $35,000 to $50,000 would be needed to complete the drilling programme of proving up the gravels, and present shareholders who subscribe to the new offering will be given the right to purchase an additional 350,000 shares at 15 cents per share, if the additional money is needed. This would leave 709,489 shares in the treasury.

In his accompanying report, Capt. Adams outlines the disappointing results obtained from operations at Tom Creek and Silver Creek in the same district. Late last fall, operations were removed to the Manson Creek area, near which Consolidated Mining & Smelting Co. is meeting with some success.

In the balance sheet, as at Dec. 31, 1935, current assets, including cash, $5,317; accounts receivable, $233; and stores and supplies, $1,747; total $7,296. Against this are current liabilities of $7,223, leaving working capital of only $73.

During 1935 income, including profit on sale of shares in Pickle Crow Gold Mines, of $5,722, totalled $5,944. Exploration, prospecting, and general expenses for the year amounted to $34,507. Exploration and prospecting expenses which, at Dec. 31, stood at $64,463 are capitalized.

Numaque Mining Shares Taken Up

Block of 575,000 Shares Sold at 60 Cents Each by Syndicate

From Our Own Correspondent

MONTREAL.—W. C. Pitfield & Co. and associates announce that the entire underwriting of the shares of Numaque Mining Co. has been sold. Subscriptions to the shares, which were offered at 60 cents each, were in excess of the offering of 575,000 shares. Proceeds went to the underwriters and not into the treasury of the company.

Numaque Mining Co., which has taken over block No. 2 of the Nu Sigma Gold Syndicate's holdings (now Auriac Mines Ltd.) is said to have sufficient funds to carry out its entire diamond drilling and exploration campaign.

Numaque Mining Co. has an authorized capital of 3 million shares, of which 5 shares have been issued to incorporators for cash and 1.2 million fully paid shares to the vendor for the properties. Financing contract has been arranged covering the balance of 1,799,995 shares under which $100,000 was paid into the company's treasury July 2; proxies are outstanding which, if exercised in full, will provide the treasury with an additional $1,404,990.

Morris Kirkland Shaft Passes 1,000-ft. Level

A progress report issued by W. B. Robb, president of Morris Kirkland Gold Mines, states that shaft sinking is now past the 1,000 ft. level and is proceeding at the rate of 7 ft. per day. It is expected that the objective of 1,250 ft. will be reached by early August.

After the sinking programme is completed, there is a plan to open up 2 of the 4 new levels at 1,250 ft. and 875 ft.

The company reports sufficient cash on hand and due to build the mill and bring the property into production. Under the present schedule, the mill will be completed and turned over on or about October 15.

NORTHERN CANADA MINING CORPORATION, LIMITED
New mines financed, managed and developed to production.
44 Victoria Street, Toronto, Can.

Mining Enquiries

Mining Corp.

As I am a shareholder of Mining Corp. of Canada, I would be glad to get your views, in a sentence or two, of this proposition.

Prospects for Mining Corporation of Canada appear more favorable after the airing given the company's affairs at the recent annual meeting of shareholders in Toronto.

Mining Corporation has taken steps to acquire new properties as well as mining investments of a desirable character but earnings available for shareholders will depend, of course, upon the success of the company's efforts over a diversified field of mining activities. Its main asset is its interest in Hudson Bay Mining and Smelting having a current market value of about $2 millions. Mining Corporation is also actively interested, financially and from a technical standpoint in Laguna, Gwillam Lake and Harricana.

This company along with other holding companies was reviewed in The Financial Post of June 27 last.

Columbus Kirkland Aconda

In a client's estate are shares in Columbus Kirkland and Aconda Mines. I would appreciate ascertaining what the value of this stock is, if any.

Columbus Kirkland Gold Mining Co. is inactive, so far as we know. Mail addressed to the company at Kirkland Lake, Ontario, was returned. So far as we are able to learn, the company has not been revived since 1934, and the status of its property is doubtful.

The property is classified in standard mining references as "inactive gold prospect."

Aconda Mines Limited, which held leases on potential oil lands in Blood Reserve and the Milk River area of Alberta, gave notice in January, 1936, of application for surrender of its charter. The address of the company is 75 Sparks St., Ottawa, Ont. It is unlikely, that shares of the company have much value.

Patricia Area

A small group of English investors, readers of your paper, are impressed with the possibilities of the Patricia-Crow River area as a mining camp. We are considering purchase of Pickle Crow, Central Patricia, and Gateway Patricia, and would like to have your opinion. I think we appreciate fully enough that this is a risk but do not feel, with this portfolio, that the odds would be against us. The yield on Pickle Crow seems rather small. Have these companies any chance of developing into Hollingers?

Your recent purchases of Pickle Crow, Central Patricia and Gateway Patricia are well chosen, we think, for participation and development of the Patricia-Crow River area.

Pickle Crow has, of course, definitely proved its productive possibilities and under very capable technical direction continues to make progress from the standpoint of putting commercial ore in sight with gold values being maintained at satisfactory levels. It is true that the current dividend yield is low in relation to the market price but this is a young mine and if development continues on the same favorable basis as it has done to date, it seems probable that a larger dividend return will accrue to shareholders. Pickle Crow, as you are no doubt aware, repaid large sums owing to John E. Hammell, out of initial production and in addition must take care of development costs. We consider the dividend policy of the management to be conservative since the company is obviously anxious to make returns to shareholders as quickly as possible but not at the expense of impaired working capital position or deferred development costs.

Since your letter was written Central Patricia has declared an initial dividend of 4 cents a share, payable July 2 to shareholders of record June 15. It is impossible to say whether Pickle Crow and Central Patricia will develop into mining operations comparable with Hollinger from either a milling, tonnage standpoint or on the basis of crude bullion production. Both are young mines but appear to have reasonably good prospects for long life.

Gateway Patricia is still in the prospect class but enjoys excellent technical direction and is well sponsored financially, we understand. The property adjoins Central Patricia and diamond drilling is being carried out, following a geophysical survey of the property. Results of exploration on Gateway ground have not yet indicated its productive potentialities.

Kirkland Consolidated Four Nations

I would be glad of some current information on Kirkland Consolidated and Four Nations Gold Mines.

It was announced several months ago that Kirkland Consolidated Mines Ltd. was preparing for an active season's operations in Grenfell Township and Gauthier Township, the latter lying immediately east of Bidgood Kirkland. In March it was reported arrangements for financing had been negotiated, and the necessary funds were expected to be forthcoming for a proposed campaign. Interesting mining possibilities were indicated on various claim groups held by the company, but there has been no recent word, to our knowledge, of important development. Kirkland Consolidated optioned its 4 claims in McVittie Township to the Kir-Vit Gold Mines Limited for a 20% interest and a cash consideration of $20,000. Exploration on this property last autumn is understood to have uncovered encouraging signs and some high grade occurrences are understood to have been located. Part of the programme this year is diamond drilling, but information to date has not revealed the significance of development operations.

Four Nations Consolidated Gold Mines Limited went into bankruptcy in July last year, and so far as we know shareholders have no equity. F. O. Tidy, 9 Toronto St., Toronto, Ont., is the custodian. Operations on the property have never been productive of satisfactory ore grades in commercial tonnages. The property has been operated by several successive interests, but without success.

Survey Diana Mine

From Our Own Correspondent

WINNIPEG. — A small crew of men is engaged in making a complete survey of Diana Gold Mines property at Gem Lake in the eastern section of Central Manitoba area. It is considered likely some diamond drilling will be done before the new owners attempt to go ahead with actual production operations.

We recommend purchase at the market
BLUE STAR
Information upon request.
Lloyd Lott & Company Limited
401 Bank of Hamilton Bldg.,
67 Yonge Street, Toronto
WAverley 2989

WE MAINTAIN ACTIVE TRADING DEPARTMENTS SPECIALIZING IN LISTED AND UNLISTED CANADIAN MINING AND INDUSTRIAL SECURITIES.
Our statistical staff would be pleased to answer inquiries regarding all classes of securities.
F. J. CRAWFORD & CO.
Members
Toronto Stock Exchange
Winnipeg Grain Exchange
Canadian Commodity Exchange Inc.
11 Jordan St. - Toronto
ELgin 2201

J. E. GRASETT & CO.
Members The Toronto Stock Exchange
302 Bay St., Toronto
WAVERLEY 4781
Branch Office:
2822 Dundas St. at Heintzman Ave. JU. 1167

Malrobic Interested In Neighbor Property

Malrobic Mines' directors have ratified an agreement to take over a 75% interest in the Central Malartic property adjoining Malrobic on the north and situated about 3½ miles east and south of Lapa Cadillac, on which a shaft is now being sunk.

The Central Malartic property consists of about 500 acres, on which surface work has indicated good widths of commercial ore. A diamond drilling programme has been outlined.

Sheep Creek Gold Mines—May production from this B. C. producer was $55,380 The Financial Post is officially informed.

To Deepen Shaft At Falcon Gold

Prepare Ground For Diesel-powered Compressor

From Our Own Correspondent

SUDBURY.—Foundations are being laid for the new compressor recently purchased by Falcon Gold Mines, and as soon as the machine is installed, shaft sinking will be continued. The compressor is a heavy-duty 600-ft. Diesel-driven machine, and the engine has been shipped from England.

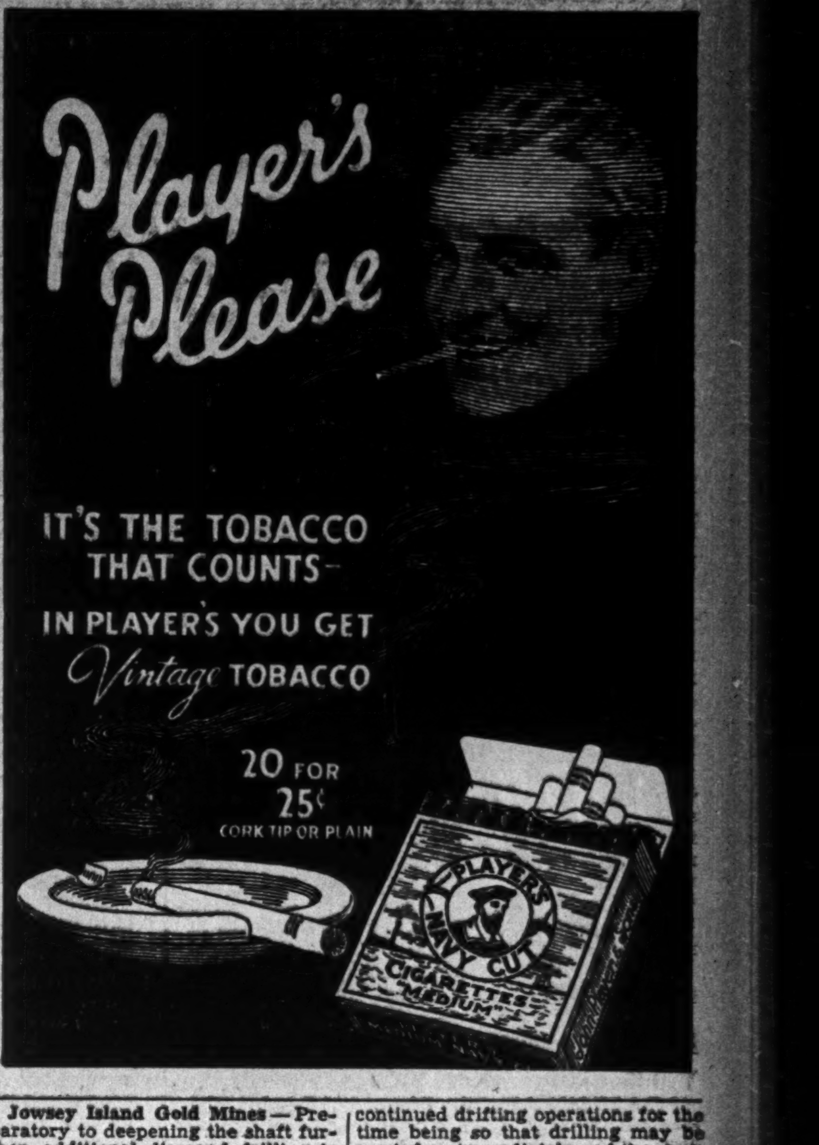
It is the intention to carry the present 50-ft. shaft to a depth of 200 ft. and undertake lateral work on 2 levels to prove up the ore which has been indicated by diamond drilling.

Recently a firm underwriting was made of Falcon treasury shares and options given on an additional 800,000 shares. The underwriting and the options, it is stated, will produce sufficient funds to bring the property into production. There have been issued 1,250,000 shares for property and work to date, of which South Tiblemont Mines received a substantial interest for expenditures that the company made last year.

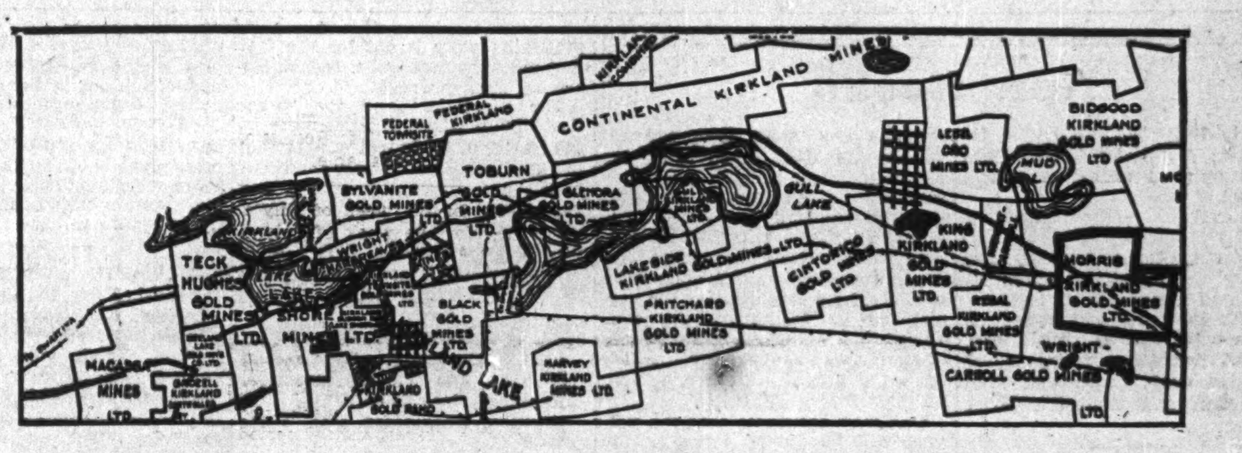
The Falcon is the old Beckley property in Falconbridge township, near Sudbury, where some exploration was carried on several years ago. This was followed in 1934 by a diamond drilling programme sponsored by C. H. Hitchcock and Lionel Brooke, after which the property was turned over to South Tiblemont and a mining plant installed. Subsequently Falcon Gold Mines was formed, with a capitalization of $2,500,000 in $1 shares.

Sladen Malartic Gold Mines — A showing of visible gold over a width of 13 ft. has been disclosed during the recent development work at this property. The crosscut is now 104 ft. north of the shaft.

Jowsey Island Gold Mines — Preparatory to deepening the shaft further, additional diamond drilling is desirable and the company has discontinued drifting operations for the time being so that drilling may be carried on immediately and the shaft deepened later.


Player's Please
IT'S THE TOBACCO THAT COUNTS—
IN PLAYER'S YOU GET Vintage TOBACCO
20 FOR 25¢
CORK TIP OR PLAIN
PLAYER'S NAVY CUT CIGARETTES "MEDIUM"

MORRIS KIRKLAND
GOLD MINES LIMITED


CONTINENTAL KIRKLAND MINES
FEDERAL KIRKLAND
FEDERAL TOWNSITE
TOBURN GOLD MINES LTD.
SYLVANITE GOLD MINES LTD.
GLENORA GOLD MINES LTD.
TECK HUGHES GOLD MINES LTD.
WRIGHT HARGREAVES
LAKE SHORE MINES LTD.
BLACK GOLD MINES LTD.
MACASSA MINES LTD.
KIRKLAND LAKE
HARVEY KIRKLAND MINES LTD.
LAKESIDE KIRKLAND GOLD MINES LTD.
PRITCHARD KIRKLAND GOLD MINES LTD.
CINTORICO GOLD MINES LTD.
GULL LAKE
KING KIRKLAND GOLD MINES LTD.
LEBEL ORO MINES LTD.
BIDGOOD KIRKLAND GOLD MINES LTD
REBAL KIRKLAND GOLD MINES LTD.
WRIGHT-CARROLL GOLD MINES LTD.
MORRIS KIRKLAND GOLD MINES LTD.

Coming into production this fall on the basis of 100 tons daily.
Located in the richest gold mining district of Canada.

One of the most conservatively capitalized young mines of Canada, Morris Kirkland Gold Mines, lies just south of Bidgood-Kirkland, in the eastern section of the famous Kirkland Lake gold mining district of Ontario.

Morris Kirkland has its new 100-ton mill under construction, and is scheduled to go into production October 15th of this year.

During the mill construction period, Morris Kirkland's main shaft, previously sunk to 750 feet (from which six levels have been opened and ore blocked out) is being deepened to 1250 feet, to open up a new area at depth.

Diamond drill intersections and geological experience in the Kirkland Lake area indicate further extensive and rich ore occurrences. The shaft is currently below the 1,000-ft. level and will reach 1,250 feet in about 30 days.

New levels will then be opened, and there is a good chance that rich ore occurrences similar to those recently opened on the nearby Bidgood-Kirkland property will be found on these new Morris Kirkland levels.

This probability is indicated both by diamond drill intersections showing values of $9.52 across 5 feet on the 1,250 horizon, and by drill results in six intersections on the 875-ft. level, which showed values up to $77 a ton.

The existence of a valuable orebody is further indicated by developed tonnage above this area on the 625 and 750 levels, where widths of 12 feet were proven.

Values on the 708 drift are conservatively estimated to average around $14 a ton, not including the partially opened ore in the 706C raise, which gave values in one sample of $87.50 over 2.8 feet.

With total authorized capitalization of only 2,500,000 shares, we are convinced that the Morris Kirkland shares are among the best speculative purchases on the Toronto Stock Exchange.

We have prepared a complete analysis of the current condition and prospects of Morris Kirkland Gold Mines, and endorse the purchase of the shares.

This analysis may be obtained without obligation, by writing us.

We Recommend
Morris Kirkland Gold Mines
as among the best speculative purchases on the
Toronto Stock Exchange

JOHNSON, RING & COMPANY, LIMITED
INVESTMENT SECURITIES
TORONTO, CANADA

Use This Blank To Receive Our Analysis →

Johnson, Ring & Co., Ltd.,
38 King St. W.,
Toronto, Ont.

Please send me without obligation your new analysis on Morris Kirkland Gold Mines.

Name ....

Address ....

"Your Money" by Sir Norman Angell

Plain Truths on Money and Credit Written in Plain Language

This is the final article in a series written especially for The Financial Post by Sir Norman Angell, in which the world-famed writer outlined the operation of money and credit in plain everyday language.

"Medicine Men" Won't Cure Ills

By SIR NORMAN ANGELL

In many parts of the world, as we know, magic plays a large rôle in man's fight with disease. Indeed, over a large part of the earth's surface medicine-man and magician are almost interchangeable terms. The medicine-man professes to be able to perform miracles. And quite a number of Europeans believe that he can perform them.

SIR NORMAN ANGELL

But this is to be noted: In those parts of the world where medical "miracles" are daily performed, men die like flies. They die by the hundreds of thousands from diseases and pestilences, which have long since been stamped out in those parts of the world where no doctor believes in miracles and where miracles, like the pestilences, have disappeared.

It would be true to say that the deadly pestilences, like the Black Deaths of the Middle Ages, the Plagues of London, the endemic leprosy, did not disappear from Europe until the miracles of medicine had also disappeared.

It is well to reflect upon that undoubted fact, because so long as belief in miracles was widespread the mass of men looked to miracles to save them from the pestilences, and not the humdrum task of keeping sewage out of drinking water or to the destruction of infected vermin.

"Poverty Amid Plenty"

We in our age are cursed by economic pestilences: "Poverty in the midst of plenty." Certain economic medicine-men promise miracles; easy cures that do not involve any widespread measure of social sanitation; a single change in the monetary system will do it all.

Well, so long as men believe in miracles it will be extremely difficult to persuade them that economic health, like physical health, invokes effort over the whole social field; that just as we could not stamp out cholera and bubonic plague without such reconstruction of houses as would make possible a good drainage system; without a public health system, operating at ports, which would make impossible the immigration of infected rats; without municipal organization that would make possible good water systems, so we cannot cure our economic pestilences without efforts which extend far beyond the confines of monetary policy.

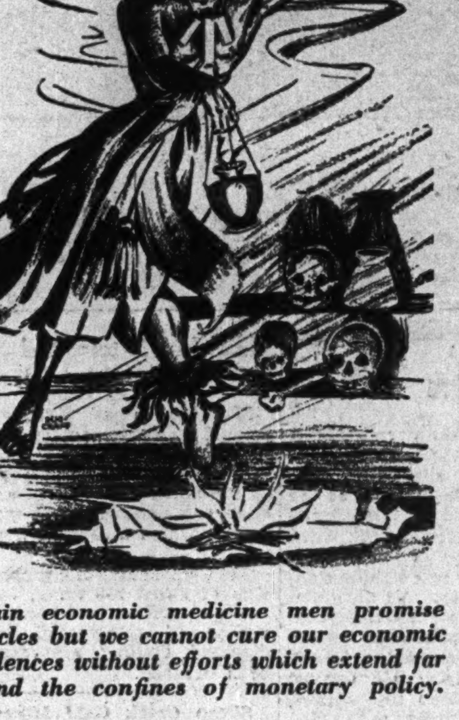
In a previous article mention was made of the very radical efforts made recently by Sweden to wrestle with the depression and the unemployment problem by any device which Sweden's very competent and very distinguished economists could suggest.

The experience has been carefully analyzed by a British economist, Dr. Brinley Thomas, of the London School of Economics, in a book of some two hundred and fifty pages. It is a highly technical story. The author is a Socialist of the British Labor Party type, yet his conclusion is of the following cautious conservatism:

> "The example of Sweden indicates that a slump can be shortened and a recovery accelerated when the government and central bank co-operate to diminish uncertainty and to furnish the conditions necessary for a revival of investment. It would have been better if the loan expenditure on public works had been incurred in 1933 supplemented by a moderate reduction in wages . . . the prosperity of 1935 is not free from instability. If the French franc were devalued it might lead to a competition in currency depreciation which would upset Sweden's international margin. The demand for some of her exports might decline. This study has emphasized the fact that Sweden is closely bound up with the outside world. There will be instability as long as chaos reigns in international economic relations. . . . In the long run the continuance of her prosperity depends on a general revival in international trade and a removal of the grave political uncertainties which overshadow the continent."

Must Be International Co-operation

Note the final emphasis upon the need for international co-operation, whatever the monetary policy. That is an emphasis upon which this present writer has insisted for some thirty years. Yet because he has insisted upon the plain truth of the need for international co-operation, whatever the monetary policy, he has been violently attacked by certain of the monetary medicine-men. Not only, it would seem, must you believe in their medicine, you must also believe that nothing else but their medicine is necessary.



Certain economic medicine men promise miracles but we cannot cure our economic pestilences without efforts which extend far beyond the confines of monetary policy.

What these articles have attempted to do is to establish certain elementary truths which ought to be the possession of every instructed citizen who, by his vote, takes part in the management of society. Among those truths are these:

(1) While even experts do not yet know how to remedy all the defects of our monetary and banking systems, they are agreed that certain policies, which the public sometimes insist upon, ought not to be followed. If the public had been more familiar with the conclusions upon which all experts are agreed, some of the worst phases of our economic sicknesses would have been avoided, and the whole problem be more manageable.

(2) The apparently obvious and easiest remedies for money defects, those to which men have turned most readily in the past—and still turn—with the firm conviction that they will afford a cure, such remedies as the indiscriminate multiplication of the money unit, do not cure, but have usually brought about disasters worse than the evils they were meant to remedy.

(3) And while the public flies so readily to remedies that cannot cure because it has not grasped the rudimentary truths, it refuses, for the same reason, to apply remedies or preventions which would be of immense help and upon which equally all competent economists are agreed.

Worst Problems Not Monetary

(4) It is certain that the cure for our worst and most characteristic economic troubles cannot be purely monetary, as there enter into the problem important factors that are not monetary at all; political instability, human psychology expressing itself in such things as a nationalism that cares nothing or little about material welfare, and is determined to indulge its passions be the material cost what it may; undue optimism of producers and entrepreneurs resulting in over-production of specific products, from wheat to silk stockings; dislocations caused by invention (water-power and the internal-combustion engine replacing coal) and labor-saving machinery often rendering ancient crafts obsolete; rapid changes of fashion, and a multitude of other forces which the monetary factor hardly affects.

The inability of some monetary reformers to distinguish between what is indispensable and what is all-sufficient adds, at times, to the difficulties of understanding.

(5) Thus, while monetary reform of itself cannot cure some of the worst of our economic evils, bad monetary policy can certainly at times cause them (e.g. over-expansion of credit in certain circumstances may start a boom which later will involve a slump), in the same way that though cleanliness and good sanitation will not cure a case of bubonic plague, the continued absence of cleanliness and sanitation will in the end cause an epidemic of that pestilence.

To know that certain rules of economic health must be observed will help us to avoid economic pestilence.

To furnish an aid in recognizing those primary rules of economic health has been the purpose of these articles.

Sir Norman Angell's fifteen articles have now been concluded. They are available in booklet form at 50 cents per copy, obtainable from The Financial Post.

The BACHELOR'S COLUMN

Going Places . . .

HALF the fun of a motor trip is planning it . . . You see yourself skimming over smooth highways . . . drifting in and out of quaint villages . . . resting an hour in a wooded grove . . . That's the joy of anticipation . . . And it can be the same with all sorts of little things in life . . . An after dinner cigar, for instance . . . I never light my Bachelor the moment I finish eating . . . I like to think about it a little, sip my coffee once or twice, then light up . . . I'm told that makes me an Epicurean . . . As far as wishing to prolong my enjoyment of a Bachelor is concerned, I'll admit the charge.

"IT'S GOOD TO GET BACK TO A 10c CIGAR"

WILSON'S BACHELOR Cigar 10¢ 100% Havana Filler

New Books

ROADS AND WATERWAYS IN CHINA: A Special Report Published by the Information section, League of Nations.

The report includes the findings of experts appointed by the chairman of the League Advisory and Technical Committee for communications and transits, to go to China and look into problems submitted to them by the government of that country. The chief problems studied are water conservation and road construction and transport. Price $1.75.

THE THEORY OF INTERNATIONAL TRADE. By Gottfried von Haberler. Published by William Hodge & Co., 86 Hatton Garden, London, E.C.1. Price 21s.

There is no single theory of international trade. There are many such theories. Some of them are held by economists who have arrived at them after logical consideration of what has been demonstrated in practice. And there are many more—perhaps they are opinions rather than theories—that are held by people who have never given more than a moment's consideration to economic truths—to the extent that there are economic truths—but who have arrived at their opinions in the manner that the blind men of the East arrived at their ideas as to the shape and form of the elephant.

Prof. von Haberler is now an associate at Harvard University. His volume was published in the German edition in 1933 and has just been translated into English. While it is obviously intended primarily for his fellow economists and as a text book, one would wish that the less theoretical portions of it could be read and re-read by politicians, manufacturers, farmers and others who arrive at snap judgments on tariffs and other international trade factors without an appreciation of their underlying meaning.

Is Free Trader

Prof. von Haberler himself arrives at the conclusion that the policy of free trade is economically right. He does not deny that protection is almost universal, but he cannot admit that economic science should reverse the verdict of its analysis any more than medical science should be asked to change its findings just because everybody followed some custom it had pronounced injurious to health. The author frankly admits that his volume is subject to the charge and accusation of unfruitful doctrinairism. But he points out that the vast majority of economists are convinced that the actual trade policies of nearly all countries are founded upon the crudest errors and have no shadow of justification.

One may anticipate that the volume will be quoted more by the free traders and low tariff propagandists than by those who regard themselves as the beneficiaries of a protective tariff policy. But a reading of the book by the latter can most certainly be recommended. For here is elaborated the classical economist's approach to trade and fiscal policies. And while tariffs and other forms of trade restrictions in the mass are declared by the author to be against the common interests of mankind, their particular application in individual cases is given most generous and sensible treatment.

Is Public All Wrong

One point must impress and depress the reader: the evidence that is provided that practically everything that the general public believes on the subject of tariffs, dumping, exchange differentials, devaluations, cartels, etc., is contrary to what the classical economists believe. This would be gratifying were it not for the fact that even the theoretical economists are not always wrong.

The theoretical and the "practical" point of view clash more in the matter of trade restrictions than in any other field. If only the economists and the business men and politicians would come together for more frequent and more frank discussions of tariffs, some interesting conclusions might be reached by way of reconciliation.

THE ECONOMICS OF OPEN PRICE SYSTEMS. By Leverett S. Lyon and Victor Abramson. Published by the Brookings Institution, Washington, D.C. Price $1.25.

The open price system is distinctly an American institution. Under it all the producers in an industry file with each other copies of their current price lists, their tenders, etc. This usually tends to reduce cut-throat competition and to bring about a certain stability of prices without running counter to the anti-trust laws. Of course it can open the door to price-cutting by those members of an industry who are not particularly concerned with the achievement of general stability and who use other people's price as a guide in shading their own.

The authors have made this comprehensive study of the system as part of the general study of current conditions in the field of price policy, trade practices and self-government in industry. They see a large field for socially useful open price plans but feel that there must be a government agency testing such plans on the basis of their conformity to public policy.

5,000 FACTS ABOUT CANADA. Published by the Ontario Publishing Co., Toronto. Price 35 cents.

Frank Yeigh, who founded this volume, died some months ago but the little work that is the thing most intimately associated with his name, carries on. There is no change in format and the usual collection of interesting and up-to-date data regarding Canada's manifold resourees and activities is given.

Bathurst Power Starts Operating Box Board Unit

From Our Own Correspondent

MONTREAL.—Bathurst Power & Paper Co. has started operations on the company's cylinder machine for the manufacture of box board. This unit, which trims a sheet 127 inches wide and with a capacity of 100 tons daily, ranks as one of the largest of its kind in operation in Canada.

In addition there is in operation in the plant a Fourdrinier kraft machine with a present capacity of 130 tons daily of liner board and corrugating materials and an ultimate capacity of 170 tons.

It is also intended to recondition the present newsprint machine in order to commence operations a little later at 70 tons per day capacity.

Canadian Fur Auction Prices Slightly Lower

From Our Own Correspondent

MONTREAL.—Canadian Fur Auction Sales Ltd. report the average price of pelts at the recent auction was down a fraction from that previously held. Most of the buying of full silvers was of United States origin, while Canadian and European buying generally dominated the market.

A. J. PATTISON Jr. & CO. Ltd.
Established 1907
CORPORATION SECURITIES
Royal Bank — EL. 5101
TORONTO

Legal and Professional Directory

REID, WALLBRIDGE, GIBSON & SUTTON
Barristers, Solicitors, etc.
R. L. Reid, K.C. D. S. Wallbridge
J. G. Gibson W. A. Sutton
YORKSHIRE BUILDING
VANCOUVER, B.C.

Victor A. Sinclair, K.C.
Formerly Chairman, Workmen's Compensation Board, Ontario.
Special attention Workmen's Compensation, Social Insurance, Life Insurance, Corporation and Commercial Law.
1503 Canada Permanent Bldg.,
TORONTO, CANADA

PEARSON, RUTLEDGE & DONALD
BARRISTERS, SOLICITORS, &c.
G. FRED PEARSON, K.C.
J. E. RUTLEDGE, K.C.
ROBERT T. DONALD, LL.B.
CABLE ADDRESS: "PEARSON." HALIFAX
Chronicle Building
Halifax, Nova Scotia

Pitblado, Hoskin, Grundy, Bennest and Drummond-Hay
Pitblado, Hoskin, Turner, McEwen and Alsaker
Barristers, Solicitors, Etc.
Hamilton Building
WINNIPEG, CANADA

NOW FOR THE THRILL OF THE Empress of Britain

Plan your voyage this summer to sail on the *Empress of Britain* . . . more space per cabin class passenger than any other ship afloat . . . whole decks for sport . . . full-size tennis court, squash racquet court, swimming pool . . . and the world-cruise standard of excellence for accommodation, service and cuisine!

Also sailing from Quebec to British and Continental ports, the popular *Empress of Australia*, famous running-mate of the *Empress of Britain*.

For solid comfort at less cost, the regal *Duchesses* and cosy *Mont* ships, offer frequent sailings from Montreal and Quebec. Book Canadian Pacific . . . 39% less ocean via the St. Lawrence Seaway route.

Cabin, Tourist and Third Class. Ask about all-expense tours on the *Empress of Britain* and other Canadian Pacific liners.

For full information see your own travel agent or
E. F. THOMPSON, Steamship General Agent
Canadian Pacific Bldg., Toronto

Canadian Pacific

"Canadian Pacific Express Travellers' Cheques . . . Good the World Over"

CHARTERED ACCOUNTANTS

Robertson, Robinson, McCannell & Dick
CHARTERED ACCOUNTANTS
D. H. McCANNELL—Licensed Trustee in Bankruptcy
Sterling Tower, Toronto

J. P. LANGLEY & CO.
C. P. ROBERTS, F.C.A.
Chartered Accountants
TORONTO
KIRKLAND LAKE

RONALD, GRIGGS & CO.
Chartered Accountants
Winnipeg
Saskatoon

MILLAR, MACDONALD & CO.
CHARTERED ACCOUNTANTS
WINNIPEG MANITOBA

WILTON C. EDDIS & SONS
Established 1895
CHARTERED ACCOUNTANTS
Federal Building, Toronto

McDONALD CURRIE & CO.
CHARTERED ACCOUNTANTS
Montreal Toronto Quebec Ottawa

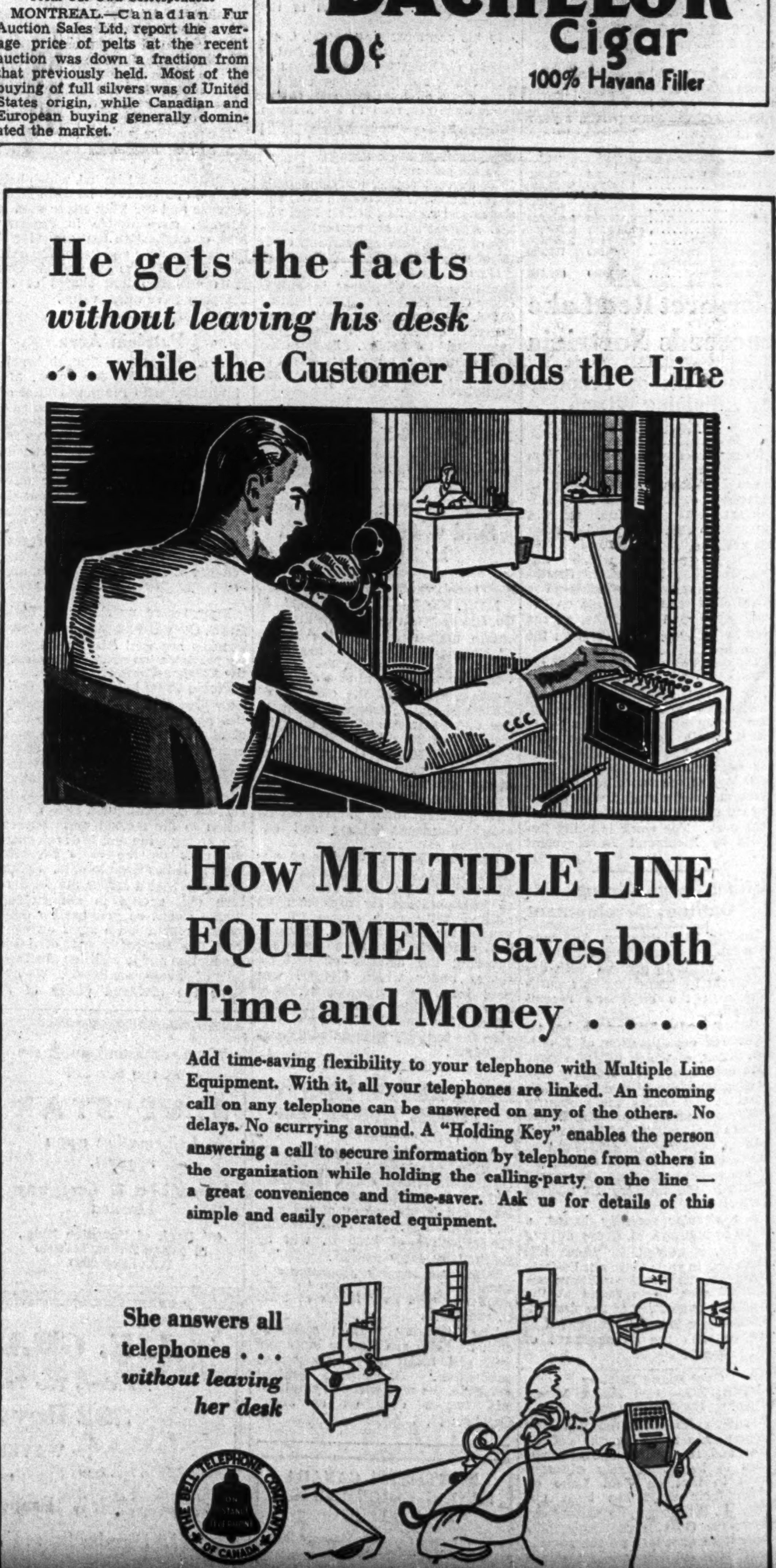
J. M. Dunwoody, C.A.
C. W. Nicholl, C.A. Thos. E. Saul, C.A.
DUNWOODY, NICHOLL, SAUL & CO.
CHARTERED ACCOUNTANTS
WINNIPEG, MANITOBA

T. A. GETTY
Chartered Accountant
Suite 302, Walter Scott Bldg.
Moose Jaw, Sask.

RUTHERFORD WILLIAMSON & CO.
CHARTERED ACCOUNTANTS
RUTHERFORD WILLIAMSON, F.C.A., HAROLD A. SHIACH, F.C.A.,
TORONTO, MONTREAL
Licensed Trustees and Receivers
Rutherford Williamson, F.C.A. F. R. McCutcheon, C.A.

WM. ROBERTSON
Chartered Accountant
KITCHENER
Ontario

E. R. C. CLARKSON & SONS
CHARTERED ACCOUNTANTS
Licensed Trustees and Receivers
CLARKSON, GORDON, DILWORTH & NASH
15 Wellington Street West, Toronto
Toronto — Montreal — Ottawa



He gets the facts
without leaving his desk
. . . while the Customer Holds the Line

How MULTIPLE LINE EQUIPMENT saves both Time and Money . . . .

Add time-saving flexibility to your telephone with Multiple Line Equipment. With it, all your telephones are linked. An incoming call on any telephone can be answered on any of the others. No delays. No scurrying around. A "Holding Key" enables the person answering a call to secure information by telephone from others in the organization while holding the calling-party on the line — a great convenience and time-saver. Ask us for details of this simple and easily operated equipment.

She answers all telephones . . . *without leaving her desk*